and proche

" o autyli,

Tigoles, and an in-

aris a con-



WORLD CUP HETALD

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper

London, Saturday-Sunday, June 27-28, 1998

The Cales Holbrooke Fails In Kosovo Talks; **Attack Expected**

Belgrade Said to Deploy Troops For Broad Offensive to Retake Regions Controlled by Rebels

By Chris Hedges

PRISTINA, Serbia — After the failure of the Richard Holbrooke, the U.S. troubleshooter, to arrange a cease-fire agreement with separatist ethnic Albaniaos, Belgrade has ordered its military and special police to carry out wide attacks in Kosovo to recapture pockets held by the rebels and reopen roads that have been blocked for weeks, Western diplomats and military

officials said Friday.

Mr. Holbrooke, who ended his five-day Kosovo mission on Friday after talks with the Yugoslav presideot, Slobodan Milosevic, and with ethoic Albanian leaders, had hoped to secure an agreement from the Kosovo Liberatioo Army rebels to take down harricades along main rontes in the province, especially the roadhlock set up for the last seveo weeks at Lapushnik on the road from Pristina to Pec.

Mr. Holhrooke had hoped to use the reopening of the roads to stave off a large-scale attack against the insurgents by the 50,000 special police and military deployed in the Serbian provioce.

The rebels, who lack a central command structure and say they will fight until they have achieved their goal of an independent state, rebuffed Mr. Holbrooke's entreaties.

There are signs that an attack is imminent, perhaps hours or days away. Belgrade, which is spending about \$2 million a day to keeps its forces deployed in Kosovo, apparently believes that another strike against the rebels, who have taken control of as much as 40 percent of the province since March, will be the final

This would be the third, and largest offensive against the rebels since March. Each assault has only worsened the violence and pushed the province, where ethnic Albanians outnumber Serbs nine to one, into open rebellion against Serbian rule.

Serbian fighter-bombers, in a display of firepower, roared in pairs down the runway of the Pristina air-

See KOSOVO, Page 4

9 North Koreans Dead in Submarine

By Don Kirk

SEOUL - The bodies of nine North Korean sailors and agents were discovered Friday inside a captured North Korean midget submarine, shot and killed in what South Korean officials called an apparent murder-suicide.

Officials said there were signs of a struggle inside the submarine, as four North Korean agents apparently shot themselves to death after first killing five sailors.

South Korean authorities also said there were indications that the vessel, which was captured after becoming entangled in a fisherman's net off the South Korean coast Monday, had been on a spy mission, leaving them divided about how much of an issue to make of this latest North Korean incursion.

Several hours after a South Korean navy anderwater demolition team gingerly bored into the submarine and found the bodies, the Defense Ministry demanded that North Korea admit "this act of aggression," explain its purpose and guarantee that it not be repeated.

At the same time, however, the South Korean unification minister, Kang In Duk, took pains, at a breakfast of the Federation of Korean Industries - made up of leaders of Korean chaebol, or conglomerates - to distinguish between "economic and political differences."

Exchange and cooperation with the North should not be affected by this abrupt incident," he

While Mr. Kang saw oo change in President Kim Dae Jung's "sunshine" policy of economic opening to the North, the Defense Ministry called the submarine's incursioo a violation of the

See KOREA, Page 4

Algerians Protest Slaying of Popular Singer



Residents of Tizi Ouzou taking to the streets Friday after the murder of the singer Lounes Matoub. Although Islamic militants were blamed, the marchers denounced the president. Page 2.

World Cup, Act 2: All or Nothing

Remaining 16 Teams Shift Gears for the Knockout Phase



ENGLISH TRIUMPH - Tony Adams, left, congratulating his teammate David Beckham, who had just scored in England's 2-0 victory over Colombia on Friday. Page 21.

By Rob Hughes International Herald Tribune

PARIS - Relentlessly, this hoge eveot that is the World Cup moves oo. The cast of nations is down to 16 from 32 and in Marseille and Paris on Saturday, in Lens and Saint Denis oo Sunday, the second phase gets under way with a change of pace and emphasis. The league-standings first round, where caution or complacency could disguise the true strength of teams jockeying for points, is over. Now each match has the true essence of knockout cup soccer, the all-or-nothing reality of deciding who is the best oo earth.

The games now gear up a notch. In Marseille at 4:30 P.M. on Saturday, Italy cannot afford a recurrence of its carly oeurosis - its fear of weaker opponents - if it is to get the better of Norway.

As evening turns to night on Sat-urday, Brazil encounters Chile in an intrigning Latin duel at the Parc des Princes in Paris.

This could be pistols at 12 paces because the Chilean strength is undoubtedly its striking duo of the quick, sharp (El Matador) Marcelo Salas and the tall, supportive Ivan Zamorano. No team has yet resisted this partnership, and Brazil's defense is vulnerable.

The Norwegians, meanwhile, proved against Brazil that they were mentally ready, athletically sturdy and not respectful of reputations.

They defend with claustrophobic meanness, they break with tenacity and their indomitable lone forward, Tore Andre Flo, simply bungers to run down

See SOCCER, Page 20

Dissident Incident Raises Tension for Clinton in Beijing

But on Yuan, Sigh of Relief

By Mark Landler

New York Times Service BEIJING - On the day before President Bill Clintoo was scheduled to get down to business with President Jiang Zemin, China gave the United States its strongest assurances yet that it does not plan to devalue its currency.

Playing ecocomic advance man for Mr. Clinton, Secretary of the Treasury Robert Ruhin held a daylong series of meetings with senior Chinese officials here, in which he said "there were unambiguous statemeots of intent to maintain" the exchange rate of the Chinese

tain" the exchange rate of the Chinese currency, the yuan.

Persuading China to maintain a stable currency has become a top priority of the Climtoo administratioo, which fears that a devaluatioo by Beijing could spark another wave of copycat devaluations across Asia. Mr. Rhbin praised China Friday for being an "island of stability" in a reginn huffeted by economic humoil.

nomic turmoil,
Although the meetings Friday were held in Zhong Nan Hai, the walled compound in the heart of Beijing that is the inner sanctum of the Chinese government, the focus of the talks was hundreds of miles to the east, in Japan.

Asia's latest economic relapse was caused by a sharp decline in the yen, and Mr. Rubin used the meetings here to keep up the pressure oo Japan to mend its fractured economy. He said that the Chinese officials told him they were very concerned about the ecocomic turmoil in Japan, in large part because the weak yen was having an "adverse impact on the region."

"I said that we, too, were deeply coocerned about the economic conditioo in Japan," said Mr. Rubin in a briefing after he met Prime Minister Zhu Roogji, who is leading China's amhitious economic reforms.

The contrast between a stable, reform-minded China and a shaky, equivocating Japan has become a favorite theme of policymakers and currency traders in recent months. While Mr. Ruhin was careful oot to criticize Japan, he drew some pointed distinctions be-

tween Beijing and Tokyo.

Of the Chinese decision not to devalue, Mr. Robin said, "They were very prescient and they are getting and deserve a great deal of respect in the world

See YUAN, Page 5

Notion Fading Of New China'

By John M. Broder

BELJING - President Bill Clinton arrived here Friday for a summit meeting that has already been marred hy the detention and harassment of several Chinese dissidents. The dispute forced the president and his senior aides into a defensive crouch and threatened to undermine the central goal of the meeting. a portrait of a "new China" of greater economic and personal freedom.

The president was to be formally re-ceived Saturday hy Presideot Jiang Zemin in a military ceremony on Tiananmen Square, the vast tombstone

of a failed revolution, Mr. Clinton and Mr. Jiang were to inspect army troops and review an hooor guard oo ground that human rights advocates around the world consider stained with the blood of martyrs.

Mr. Clinton has defended his appearance before the Great Hall of the People at the edge of Tiananmen Square - site of the Chinese Army's massacre of hundreds of student-led protesters in Juoe 1989 — as the expected behavior of a state visitor to China.

Beijing hopes to consign to history the events of the spring of 1989, which culminated in the nighttime shooting of demonstrators and the indelible image of a lone protester diverting a column of

But Mr. Clinton, assailed in the United States for lending his prestige to Chinese leaders by attending the ceremooy, hopes that his presence here will force the world to remember that bloody night nine years ago. He was expected to speak of the lessons of Tiananmen at a speech scheduled for Monday at Beijing

On Friday, the White House sharply criticized Beijing for the harassment of dissidents on the first day of Mr. Clin-"thoroughly unacceptable." But the president did not take steps to impose any punishment or withhold any favors as a result of the arrests.

China demonstrated little concern about the appearance of the detentions, denying that anyone had been arrested and offering U.S. diplomats oo explanation for its actions.

Beijing is also showing little flexibility regarding the major items oo the

See CLINTON, Page 5

The Republican Spin on Clinton's Trip

Clinton as weak in foreign policy.

• The president's trip to China is be- • China's senior religious official has American anxiety over a major Com-muoist power and to portray Mr. discussions with the Dalai Lama over greater autonomy for Tibet. Page 5.

Split in Unionist Vote May Weaken Northern Ireland Assembly

By Warren Hoge New York Times Service

BELFAST - Parties committed to the Northern Ireland peace settlement emerged winners on Friday in the election for the new assembly, but candidates opposed to the accord woo enough seats to call into question the value

The results showed that the province's two David Trimble and the Social Democratic and the vote came only among Protestants, as Cath-

Labour Party of John Hume, would get the chance to fulfill their historic pledge to work together to end the sectarian conflict that has

The mixed results, reflecting fiercely held

cost more than 3,200 lives since 1969. But the counting that began Friday of the ballots from Thursday's election was also ex-posing deep divisions in Mr. Trimble's support as many party members deserted him to cast their votes for other Unionist parties wary of the Roman Catholic and Protestant cooperation biggest parties, the Ulster Unionist Party of called for in the peace settlemeot. The split in

political and community convictions, placed in doubt the prospects for a smooth running legislature, the centerpiece of the new constitutional arrangements aimed at bringing stahility to this long tumultuous province.

The accord called for the creation of the assembly to return local government to Northern Ireland after 27 years of direct rule from London, and it structured the body under a strict

power-sharing formula. The settlement, agreed to on April 10 after 26 mooths of negotiations, also laid ont other provisions to try to bring Northern Ireland's long-warring Protestant and Catholic communities together. In referendums May 22 in Ireland and Northern Ireland, it was endorsed hy an overwhelming oumber of Catholics hut only a slight majority of Protestants.

Mr. Trimble in recent weeks had sought to

See ULSTER, Page 4

broaden Protestant support, abruptly trans-

Sicilians Wary of Mafia as Army Leaves

By Alessandra Stanley New York Times Service

PALERMO, Sicily - It was supposed to be a day of triumph and liberation, as thousands of Italian soldiers began pulling out of Sicily after a six-

nu Prices
Melta
U.S. Mil. (Eur.)\$ 1.20 Zimbabwe Zim.\$40.00

year military operation to restore order lice arrested scores of suspected mobin a land virtually ruled by the Mafia. But as regular police officers in blue uniforms took up the vacated posts on Thursday in front of the Palace of Justice, prosecutors' homes and other buildings at high risk of attack, many

Sicilians seemed mournful. "For those of us who have lived it, the emergency is not over," complained and the cost of maint Rita Borsellino, a pharmacist whose presence here is high. brother, a prominent anti-Mafia prosecutor, was killed by a car bomh in 1992. 'The soldiers had a deterrent effect, and they symbolized the active presence of the state. The war is still

going on, so why stop now?" The killing of Paolo Borsellino and his partner, Giovanni Falcone, by the Mafia traumatized Italian society and galvanized it to wage an all-out war against organized crime. It was those slayings that prompted the government

to send troops to Sicily.

[In a blow to the Sicilian Mafia, po-

sters on Friday, including the sister of a top boss, The Associated Press reported from Palermo.]

The Italian government decided to withdraw its troops for reasons both practical and symbolic: Many of the most dangerous Mafia bosses have been captured, Palermo is relatively peaceful, and the cost of maintaining a military

In addition, Italy, which recently was admitted to the European monetary un-ion, wants to shed the image of a nation that needs a peacekeeping force occupying its own territory.

But many prosecutors insist that the war against the Sicilian Malia is by no means won. They argue that for other practical and symbolic reasons, it would be better for the army to stay. "The question is whether a retreat of

the army at this time is opportune," said

See ITALY, Page 4



FREE IN ARKANSAS - Susan McDougal, former Whitewater associate of the Clintons', smiling at a press conference after her unexpected release from prison. Page 3.

The IHT on-line www.iht.com

AGENDA **Employers Liable in Sexual Harassment**

The U.S. Supreme Court ruled Friday that employers are responsible for incidents of touching, offensive remarks and other forms of sexual har-

assment in the workplace. The justices also said that a worker who spurns a boss's advances, and does not lose his or her job, can still

collect financial damages.

The 7-to-2 ruling raised the stakes for employers trying to deal with a wide range of sexual conduct and abuse in the workplace. Page 4.

Graf Loses to Zvereva In Wimbledon Play

Natasha Zvereva beat Steffi Graf in straight sets Friday in the third round at Wimbledon. It was Zvereva's first victory over Graf in 18 matches. Page 19.

New York	Friday @ 4 PJA.	previous close
DM	1.8097	1.7965
Yen	142.25	142.2
FF	6.068	6.028
Pound Dollars per po	1,6616 ·	1.6718
	The Dow	
1	Friday close	percent change
+ B.96	8,944.54	+ 0.10%
	S&P 500	
+ 3.83	1,133.18	+ 0.34%
	Nasdaū	
480		



By Gustav Niebuhr New York Times Service

In a decision intended to resolve an issue that split the Western Christian world nearly 500 years ago, the Vatican has said it will sign a declaration with most of the world's Lutherans affirming that Roman Catholics and Lutherans share a basic understanding of how human beings receive God's forgiveness

and salvation. The document, approved last week by the Lutheran World Federation, declares that Catholics and Lutherans have found an essential common ground on the issue of "justification," the action by which a human being is made worthy of salvation.

The Reformation leader Martin Luther held that justification comes solely through faith in God, while the Catholic church taught that a person's good

works play a role. Now, through the declaration, Catholics and Lutherans agree that divine forgiveness and salvation come only through God's grace and that good works flow from that.

The consensus, while acknowledging that serious differences remain between the two churches on the issue, represents a new appreciation for basic elements in each other's teachings along with re-cognition of beliefs they share. The declaration is a result of years of biblical scholarship, inter-church dialogue and a

renunciation of age-old stereotypes.

Catholics and Lutherans also remain divided by major issues of faith, such as the infallibility of the Pope and the ordination of women.

Although the debate on justification might seem rarefied to people outside these churches, it has historically been heated and regarded by Lutherans and other Protestants as crucial to their re-

ligious identity. While Catholics and Lutherans have been increasingly working together in the United States and in Germany in recent years, the legacy of the Reformation has kept tensions alive between the two groups in some other parts of the world.

In accepting the document, called The Joint Declaration on the Doctrine of Justification," Catholics and Lutherans agreed that the condemnations they hurled at each other in the 16th century, as Europe slid into a devastating period of religious warfare, no longer apply.

Announcing the Vatican position in Rome on Thursday, Cardinal Edward Cassidy, president of the Pontifical Council for Promoting Christian Unity, said, "I wish to stress that the consensus reached on the doctrine of justification, despite its limitations, virtually resolves a long disputed question at the close of the 20th century, on the eve of the new

millennium." But both Cardinal Cassidy and the Vatican, in its statement, said that areas of considerable disagreement required further discussion.

The cardinal also said that the declaration "has limits," in that it does not address major differences between Catholics and Lutherans on such issues as authority in the church.

But the cardinal said a signing would take place in the fall. The declaration is a carefully nu-

anced document based on 30 years of discussions between Catholic and Latheran theologians.

"Together we confess," the declaration states, "by grace alone," human beings are "accepted by God and re-ceive the Holy Spirit," which renews their hearts and calls them to good works. It goes on to acknowledge specific differences in Catholic and Lutheran understandings of certain aspects of

the issue, including a disagreement on whether a person remains a sinner after receiving forgiveness.

The declaration's acceptance by both the Vatican and the Lutheran federation represents a triumph for supporters of the

ecumenical movement. It comes at a time of growing awareness among Christians in the United States and Europe of a need to pull together in the face of challenges from the growth of faiths like Islam and Buddhism.

In practical terms, Catholic and Lutheran officials said the declaration about justification would ease tensions between the two groups in such regions as Latin America and Eastern Europe while encouraging broader cooperation. such as in shared social service programs for the poor, in nations like the United States, where relations between the churches are good.

60 Lebanese Released

MAJDELYOUN, Lebanon - Israel freed 60 Lebanese

prisoners on Friday to complete an exchange for the remains of at least one Israeli soldier who died in a failed

commando raid 10 months ago.

Amid tears and hugging, the Lebanese men were reunited with friends and families, then whisked off to a

dinner given by Prime Minister Rafik Hariri at his res-

idence in Majdelyoun, near the port city of Sidon.

"We tell the families of the martyrs and prisooers that the government will make every possible effort to free all the prisoners, liberate all the Lebanese soil and return the bodies of all martyrs," Mr. Hariri said at a ceremony

The release of the prisoners completed a deal that began

Thursday when Israel returned the bodies of 40 slain

guerrillas for the remains of Israeli soldiers torn apart by

explosives during a failed commando raid last Septem-

In Jerusalem on Friday, Defense Minister Yitzhak Mor-

"I very much hope that the Lebanese will move forward

Bot Lebanoo has informed Israel that it will not conduct

any negotiations until Israel has reached agreement with

the Palestinians on the scope of a West Bank troop withdrawal, the Ha'aretz daily paper quoted diplomatic

sources as having said. The paper said that Foreign Min-

ister Farez Bouez of Lebanon asked a third country to

dechai urged Lebanon to negotiate an agreement on an

with the initiative in order to change the situation in Lebanon," Mr. Mordechai said, adding that he hoped the

Syrians would give their blessings to such negotiations.

Israeli troop withdrawal from southern Lebanon.

broadcast on national television.

convey the message to Israel.

In Israeli Exchange

BRIEFLY

Yeltsin to Review **Nuclear Policy**

MOSCOW - President Boris Yeltsin will summon his Security Council next week to review longterm Russian policy in the area of nuclear deterrence and the development of strategic nuclear-weapons, his spokesman said Fri-

ASHNOTON White A see the self-red increases t day. Sergei Yastrzhembsky, quoted by Interfax press agency, did not make clear what would be discussed. The meeting comes amid international efforts to diffuse a crisis sparked last mooth when India and Pakistan conducted underground ouclear tests.

Another issue is the START-2 arms reduction treaty between Russia and the United States. The U.S. Senate has ratified the 1993 pact. which would cut U.S. and Russiandeployed ouclear warheads from about 6,000 each to no more than 3,500 each, hot the Russian Parliament bas oot.

Norway Planning Holocaust Payment

OSLO - Norway on Friday became the first nation occupied by the Nazis in World War II to launch a plan to pay compensation to Jews for the Holocaust.

The centrist cabinet approved a draft law setting aside a total of 450 million kroner (\$58 million) for Jewish survivors of Nazi death camps, their descendants and Jewish organizations.

"Norway as a nation should as-sume collective responsibility for what happened in our country during World War II." Justice Minister Aud-Inge Aure said in a state-

Spanish Basques March Against ETA:

BILBAO, Spain - Thousands of people took to the streets across the Basque Country on Friday to. stage silent protests against the guerrilla group ETA after the as-sassination of a town councillor.

In dozens of towns and cities, Basques stopped work for 10 minutes at noon to mourn the death of Manuel Zamarreno, 42, and to vent their anger against the sep-aratist rebels blamed for killing him

in a bomh attack Thursday.

Vowing that ETA "will pay for." this." Prime Minister Jose Maria Aznar delayed his departure on a Middle East tour to fly to the Basque region to pay his respects to Mr. Zamaneno's family. (Remers)

French Rule Out

PARIS - The Freech authorities have ruled out any terrorist

onymity, said the explosion, which killed a 45-year-old Yugoslav woman and her boyfriend, was almost certainly the result of a nonpolitical crime.

The two died after the woman opened a package that contained a

Slain Singer Is Mourned By Algerians

By Craig R. Whitney New York Times Service

PARIS - News of the death of the Algerian singer Lounes Matoub, apparently at the hands of Islamic fun-damentalists, brought expressions of grief Friday from the large Algerian community and tribute from French leaders in France, where it was front-

Mr. Matouh, 42, who was kidnapped by Muslim militants in Algeria four years ago and had lived mostly in France since, was killed in an ambush east of Algiers on Thursday.

tor

Sto

ref

Be

rel.

Pπ

Oe

are

wil

(an

Ica nev

anr

Fra ıo i

"He was a man who was the voice of Algeria, loud and clear," said President Jacques Chirac of France during a visit to Africa. Demonstrators marched through the

streets of Tizi Ouzou, near his home town in the Kabylia region of Algeria, on Friday and chanted "Zeroval, assassin," blaming the Algerian president, Liamine Zeroual, for Mr. Matoub's death, Reuters reported. Riot police dispersed the marchers.

who threw stones at them. His death came shortly before the entry into force of a law making Arabic the sole official language in Algeria, a step that Mr. Matoub and other Berbers resisted as a blow to other native lan-

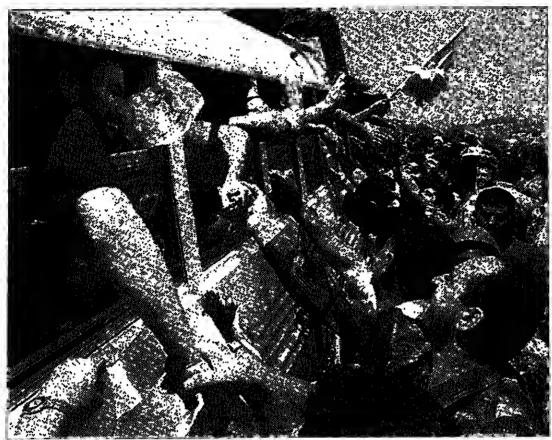
Hundreds of thousands of the Berber people, a minority in a country of 30 million, regarded him as an enemy of both the Islamic fundamentalists and the

The civil war in Algeria, which has claimed 70,000 lives, began after the authorities in Algiers canceled elections in 1992 that radical Islamic parties were poised to win.

In his songs, in Arabic and in the Kabyle language of the Berbers, Mr. Matoub expressed bitterness at the killing and love for the land where he was born, in direct and sometimes earthy language that Islamic purists regarded as decadent.

When the militants kidnapped him in 1994 and held him for two weeks, more than 100,000 Algerians demonstrated to demand his freedom.

He came to France three months later and gave two sold-out concerts in Paris before leaving again to sing in Kabylia. but had lived most of the time since in France, returning only a few weeks



Relatives cheering the prisoners released Friday by Israel as they arrived by bus in Lebanon.

U.S. Behavior' Is Not Conducive to Talks, Iran Says

By Blaine Sciolino New York Times Service

TEHRAN — Iran has reiterated its against Iran and U.S. opposition to the rejection of a political dialogue with the building of a pipeline through Iran to United States, as a deputy foreign min-ister praised the Clintoo administration proof of U.S. ill will toward his counfor softening its hostile tone but sharply try. criticized Washington for not abandooing its punitive policies against his coun-

In an interview, the minister, Mo-hammed Javad Zarif, offered the most detailed official Iranian reaction to a speech last week by Secretary of State Madeleine Albright calling on the Ira-nian government to help formulate a 'road map'' to normal relations.

"We see a move at least in rhetoric oo the part of the United States to better understand the realities of the Islamic Republic as well as of our region," Mr. Zarif said Thursday. Bot, he added, 'Where it matters, where it will be taken seriously by Iran - regarding the policies of the United States, the be-

remnants of a Cold War mentality."
Among other issues, Mr. Zarif cited the continuation of a U.S. trade embargo

Mr. Zarif, who studied at Columbia University and San Francisco State University and holds a doctorate in international relations from the University of Denver, served as a diplomat at the United Nations for nine years, and is known for

to discussing the United States. His remarks amplified those made by Foreign Minister Kamal Kharrazi in Spain last week in which he said that if the United States is serious in improving relations with

his conciliatory tone, even when it comes

Iran, it must prove it with "facts." Neither President Mohammed Khatami nor Iran's spiritual leader, Ayatollah Sayed Ali Khamenei, has reacted publicly to Mrs. Albright's speech, which was the result of long deliberations havior of the United States — we see the within the Clinton administration.

did oot refer to Mrs. Albright's remarks, hat he said, "It is a mistake to imagine that America has given op mischief."

political battle between supporters of A senior conservative cleric said Frilaw, and conservative supporters of Ayatollah Khamenei, who are determined to uphold revolutionary values. Improving relations with the United States is not high on the agenda.

In the interview, Mr. Zarif also faulted Mrs. Albright for repeating charges against Iran that it sponsors terrorism and is developing a dangerous program of ouclear, chemical and biological weapons and ballistic missiles. "She made a hig mistake, big mistake," Mr. Zarif said.
On the U.S. call for an official dialogue

between the two countries, he added, "We don't believe that the behavior of the United States shows yet that it is ready for

a dialogue based on mutual respect." Mr. Zarif acknowledged that even

In a speech Tuesday, Ali Akbar Iran's modest opening of the country to Nateq-Noori, speaker of the Parliament, American scholars and political analysts had been criticized in news reports and in the said. "It is a mistake to imagine that America has given op mischief." America has given op mischief." To put it mildly, there is a diversity of views regarding that exchange, he said.

Mr. Khatami, who has pushed for the day that talks between Iran and the creation of a civil society and the rule of United States were possible provided Washington respected the principles of the Islamic Revolution, Reuters reported. The cleric, Ayatollah Ahmad Jamati, used the weekly Friday prayers at Tehran University to suggest grounds for compromise may exist.

"In the future, either we step back from our stance, or they abandoo their anti-Islamic attitude, leave us alone and let us preserve our religion," said Ayatollah Jannati, secretary of the authoritaove Guardian Council and a lead-ing conservative. "In that case we could talk to each other. Otherwise there could be no possibility of compromise."

"The problem between America and us is only Islam," he said, "We do not have any other problem."

WEATHER

Terrorism in Blast

motive in Thursday's apartment explosion in eastern Paris, which killed two people, officials said. The officials, who requested an-

powerful explosive device, police. said. The device contained scrap metal and ball bearings. (AP)-

Rado Swiss Open Gstaad



PALACE HOTEL **GSTAAD** SWITZERLAND Phone +41 33 748 5000

Telefax +41 33 748 5001 nternet: http://www.palace.ch E-mail: palace@gstaad.ch The feeding Floreis of the World

very Monday in The Intermarket

TRAVEL UPDATE

Complimentary Report

My 1998-99 Trading Plan to

Prepare and Profit from

Stock Market Uncertainty,

Interest Rate Hikes, EMU

and the Asian Market Crisis.

8:000220657 N. Zenland 8001202501 S. Africa 020793158 Switzerland

For this complementary report and my services guide call foll-fine or e-mail foday

sile 1800125844 Belgiam 080013830 Brazil 500871383

sible 980120837 Desmark 80014132 Finland 0800113

co 0800802245 Greec 00800119213013 Germany 0800823

Long 800987209 Israel 17771000102 July 1874757

0001125809 Kerta 0038110243 Laurahearg0800453

EU to Punish Yugoslavia

BRUSSELS (Reuters) - European Union ficials said. It was not clear when the ban would be

carried out or whether it would quickly halt all air travel between Yugoslavia and the EU. If flights to and from Europe by the national carrier JAT were banned, Belgrade could re-

taliate by barring foreign carriers. Travelers would then be forced to drive to Hungary. Croatia or Bulgaria for the nearest interna foreign ministers are expected to agree on tional flights, as they did from 1992 to 1995 Monday to ban flights between Yugoslavia when a United Nations embargo prompted by and the EU by Yugoslav carriers, punishing the war in Bosnia closed international air Belgrade for its crackdown in Kosovo, of traffic to and from Yugoslavia.

> US Airways said that its low-fare MetroJet service should be in 12 American cities by Sept. 9, with the addition of flights in Boston, Hartford and New Orleans.

> > BAA, Britain's largest airport operator, said it won a 15-year contract to run retail shops at two terminals in Ne-wark Airport and would invest \$7 million to expand the number of shops by 20 percent. The Newark contract is BAA's fifth in the United (Bloomberg)

The number of foreign tourists visiting Vietnam feil 15 percent in the first six months of 1998, largely be-cause of the regional financial crisis, the Vietnam Tourism Administration said. Tourists are turning to other countries with weaker currencies to make their money go further.

Forecast for Sunday through Tuesday, as provided by AccuWeather. | Today | High | Low W | Carl | Carl

North America

North America

Europe Asia

Near-record heat wil conMear-record heat wil conInnue from Fears to Misacture through Tuesday. A
tropical folium will cause
thurderstorms an southorn
Texas. Pleasant and mainily dity in the Northwest
Gusty ihunderstorms will
roam the Midwest and
Great Lakos region. Coolei
and more semiortable in
the Northeas:

Coolei by Tuesday.

Europe

Asia

Manchuna and northeas:
en China, including Berthory and bo bot and maniily dity in the Northwest
Gusty ihunderstorms will
southom Sweden. Het and
Secul and Tokyo Ranky in
southeast employee.

Secul and Tokyo Ranky in
and Ultraino. Sunny and southeastern China. (Asinand more semiortable in
the Northeast.

Coolei by Tuesday.

Manchuna and northeast.

Sunday in China. Including Berthur, and bo bot and maniyour flowed by Including

Secul and Tokyo Ranky in
and Ultraino. Sunny and
soon rank will seek southind in Migdrid but furning
em and western India but
the Northeast.

Coolei by Tuesday.

Manchuna and northeast.

Sunday in Sunday in
Tuesday by In in My Hunderstorm

Secul and Tokyo Ranky in
and Ultraino. Sunny and
soon rank will seek southind in Migdrid but furning
em and western India
by excelling the first southman or the fir

| Total | Tota

A two-month trial subscription. Save up to <u>60</u>% Try a special, low cost 2-month trial subscription to the International Herald Tribune to enjoy delivery to your home or office every morning AND save up to 60% off

Yes, I would like to start receiving the international Herald Tribune. My check is enclosed (payable to the IHT) Charge my Armex () Dinors () VSA () Access () MasterCard () Eurocard for ex-US and Asian brens, enact comb will be charged in French French at comment units

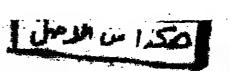
E-Mail Address I got that copy of the UT or Clinical Chartel Clother Clother (i) do not wish to roce to information from other carefully acreened as Mani or fax to International Herald Bilbune
EUROPE, MIDDLE EAST & AFRICA
181 Ave Charles de Goulle 92521 Noully Cedex, France
fax +33 1 41 43 97 (0 161 +33 1 41 43 93 61

SEO Third Averus, New York, NY 10022-6275, USA
fox +1 212 755 8785 fet (all free) 1-800-882-2884

1201 K Wah Cerem, 177 long Road, North Pourt, Hong Kong
fox: +852 2922 1109 fox 4562 2922 1177

schafflink.com - Asia: substitute halls come - Informati werete Mail or lax to International Hereld Tribune Com - Asia: substitice in the com - Into

Printed by Newsfax International, London. Registered as a newspaper at the post office.



Compa of 22 (1972) coms knows & White A En Mortense

and of Pierre
burn, at Incode, the
fire his and Friday
the his and friday
on the court for many
hou and Eastern F at Processon.

Vichy Cabi Palabrics such PARIS (Re coss Lehiden net of the F aniiaborations Tre Petain. red to Paris

Irib Tech world .

The stall of the state of the s pomit a raines a ser 100 door it have said to the Today in the second sec John for Kenneth Starr, the Berring State State Inches design of the second se

Judge Frees
Whitewater
Associate

f Clintons'

Non-Line Street Mar Ald

Maintenance of the second seco

Manufacture of the Control of the Co

heming the second of the secon minute many the state of the st the same of the sa to produce the second s

hiptor of the Marie 10 production of the production of the Cat Attack with the will be artemer ser et 1212 Important outside today MARINE ST Pesido Casas - Chana mental and Mr. March and A. 78be facered to the sealth. adhipshysiosters a the said. appeared with the same of the same before

parade :: י עול בנו יייי דיני לובי שומים milly management of the had war and a second

make one protection of the second and を使用ではなる。 こうか () ではない damed conmant, e sea for ser Production the Case Broad the Mrs. McD. Land 12:05 Backet Same

Cationia de designation de la companya (Cationia Septimbrio de la companya de la date better the acres to fair builtage from the same Broughter with the State Control to manual a company of the company the seal to the conplease the Clarkes and the same than the

Allowa Z a leading Fi. died lune of pancreater Mr. Ledon d in the ones of Pierre sor of conten

when he begin reer bringing business lead discuss the in eign and busi Francois L

breakthre achievem transform enterrain Revolution cutting ce Every The Tribune

Heri

BRIEFLY

Yeltsin to Review

Nuclear Policy

President But summon his Section Frest week to review lost determence and the days of strategic and the days has spokesman said for

spoke-man said his sa cach to no more the house he knows he

Vorway Planning Holocaust Paymen on Fadding Called Occupies

- जनामस अधिवर्भ

inje a justina i

1 12 4

mann, wik

The mentioned

100

n (†

Δ.

42

Free Police Country L Language Normish Basques March Against []

Provide Rale Out

7. 12.78.72 Very

a granism in Blast

16.16

Judge Frees Whitewater Associate Of Clintons'

> By Francis X. Clines New York Times Service

WASHINGTON — Susan McDougal, the embattled Whitewater figure who suffered incarceration rather than answer grand jury questions about Bill and Hillary Clinton, has been unexpectedly freed from prison.

Indge George Howard Jr. of U.S. District Court in Little Rock, Arkansas freed Mrs. McDougal on Thursday after she insisted that her 21 months of imprisonment had severely aggravated a spinal coodition. Saying he was motivated by "compassion and mercy," Judge Howard reduced her sentence in a

Whitewater fraud case to time served. "I'to still so stunned," Mrs. Mc-Dougal said when she emerged from the courthouse 90 minutes later, offering a dazed smile as relatives wept.

"I just don't know what to say," she exulted, still in her two-piece hright-orange prison uniform. 'I still don't

A spokesman for Kenneth Starr, the Whitewater independent counsel, ooted that criminal contempt charges were still pending against Mrs. McDougal. ."The judge made a compassioned decision based on medical testimony to release Mrs. McDougal, and we respect the judge's decision," said the spokes-man, Charles Bakaly.

The ruling eliminated the remainder of a two-year prison sentence she began serving in March for her convictioo in the first Whitewater trial on charges of mail fraud, misapplication of funds and making false statements. Mrs. McDougal must still serve 90 days of home detention, and still faces charges in Little Rock and California.

But taking into account the 18 roonths of jail time she had served for resisting the grand jury investigation of the Clintons, the judge ruled that she be freed from prison for the fraud conviction.

The judge gave Mrs. McDoogal 10 days to report to her parents' home in Camden, Arkansas, where she will be under electronic surveillance.

"I am a much better persoo today than the one you sentenced," Mrs. Mc-Dougal told the judge. "I promise you, yon won't be sorry.'

President Clinton, visiting China, was asked about Mrs. McDougal's release. "I'm concerned about her health, and I hope she gets better now," he said. "I hope the judge's decision puts her in a position where she can get over her pain and her difficulty."

Mrs. McDougal's tronbles with the courts and with Mr. Starr were hardly ended by the ruling, because Mrs. Mc-Dougal was re-indicted by Mr. Starr last mooth for once more refusing to answer and Whitewater That trial, on charges of criminal contempt and obstruction of jostice, is set for Sept. 28 in Little Rock. Judge Howard is also scheduled to

preside over that case. Beyond that, Mrs. McDougal faces an unrelated criminal trial on July 13 in California on charges that she em-bezzled \$150,000 from the conductor Zubin Mehta when she worked as his bookkeeper from 1989 to 1992.

Through her travail, Mrs. McDougal has maintained a combative resistance to Mr. Starr and his attempts to implicate the Clintons criminally to the complex of real estate and political events known as Whitewater.



Monica Lewinsky arriving by taxi at the Washington office of her lawyers, who are trying to arrange an immunity deal for her to talk.

Starr Calls Linda Tripp To Testify on Secret Tapes

Key Figure in Intern Case to Appear Tuesday

By Peter Baker Washington Post Service

WASHINGTON - After five months in the shadows of the Monica Lewinsky investigation, Linda Tripp will finally tell a grand jury about tapes she recorded secretly while Ms. Lewinsky confided to her about an alleged affair with President Bill Clinton.

Kenneth Starr, the investigating independent counsel, instructed Ms. Tripp on Thursday to appear before the grand jury next Tuesday to testify, for the first time, in the investigation she sparked when she approached Mr. Starr's office in January and turned over

more than 20 bours of recordings.

Legal experts expected Ms. Tripp to be the last witoess before the grand jury, which is investigating whether Mr. Clinton lied under oath or encouraged others to do so.

An attorney close to the case sugested that the new subpoena increased the pressure on Ms. Lewinsky to reach an agreement with Mr. Starr to testify. Another lawyer close to the investigation, bowever, recalled that Mr. Starr signaled long ago that he would sum-

Mr. Starr and the new legal team of Ms. Lewinsky are engaged in negotiations to secure ber cooperation with prosecutors in exchange for protectioo from prosecutioo.

Her lawyers have renewed an offer to have her testify that she had a sexual relationship with Mr. Clinton, which both have denied in sworn statements. But she will not testify, the lawyers added, that the president encouraged her to lie under oath about the affair.

Mr. Starr has oot been satisfied with the offer but the talks are continuing.

Ms. Tripp, a former White House aide who befriended Ms. Lewinsky

been one of the most intriguing figures in the whole saga, largely keeping to herself and for a time staying in secure quarters provided by the FBL

She has been reviled by Clinton backers, Lewinsky attorneys and others for

betraying a friend's trust.

Ms. Tripp's lawyers, Anthony Zaccagnini and Joe Murtha, confurmed that she had been subpoenaed to testi-

Mr. Zaccagnini said be viewed the development as a signal that the independent counsel's office was moving forward. "It is clear that Linda is now the star witness and that ber value to the independent counsel's office cannot be understated," he said.

Word of Ms. Tripp's impending testi-mony eclipsed the final appearance of another witness, whose testimony was so hotly disputed that Mr. Starr and Mr. Clinton went to court to fight over it.

Sidney Blumenthal, a senior White Honse media strategist ordered by a judge to talk despite President Clinton's: claim of executive privilege, testified for the third time Thursday. He was told that it was probably his final appear-

"The president shared his account of the Lewinsky matter with me," Mr. Blumenthal told reporters on the court-house steps later. "He did so un-guardedly and freely, under the assumptioo that we were speaking in complete privacy. What 1 told the grand jury under oath supports completely what the president has told the American people and is contrary to any charge that the president has done anything

Mr. Blumenthal, described as a confidant of Hillary Rodham Clinton, said he had also spoken in confidence with her and that she had told him: "The aide who befriended Ms. Lewinsky accusations will collapse eventually of wheo both worked at the Pentagon, has their own insubstantiality."

City Council president.

Louise Davies, 98, the San

Francisco benefactor and

widow of the oil millionaire

Ralph Davies, who gave the city she loved a \$5 million

concert hall in 1980, died

Monday at a retirement home

A 'Runt Star' and Its Riveting Sphere

Planet 15 Light-Years Away May Be One of Billions in Galaxy

By Kathy Sawyer
Washington Post Service

WASHINGTON - Astronomers have detected a planet around a star just 15 light-years from the sun, the closest world ever found outside our solar sys-

At least 1.8 times as massive as Juniter, the planet orbits a stellar weakling - a dim, low-mass star called Gliese 876 — every 61 days.

Astronomers have detected a dozen or so planets beyond the family of the sun in recent years, but this one has riveted their interest because of the nature of its parent star. Gliese 876 is a star ever found to have a planet.

With just a third the mass of the sun, the star is only about one-fortieth as luminous as the sun and therefore hard to study. But red dwarfs are believed to be the most common stars in the universe, and they "live" virtually

The new findings mean that "planets may be a dime a dozen," said Geoffrey Marcy of San Francisco State University and the University of California at

He and colleagues were first to report detection of the new planet this week. Their findings were confirmed by a team in Switzerland and France

Arts for another year.

artist's prine.

because of support in the Senate.

be kept affoat for another year.

POLITICAL NOTES

Republicans Back Arts Funds

WASHINGTON — Some House Republican moderates, unhappy with their party's unfolding spending policies, have southed their leadership by similar with

Democrats on the House Appropriations Committee to fully fund the embattled National Endowment for the

The endowment, the main dispenser of federal grants

to artists and cultural groups across the United States, has

beeo a key target of conservatives since the Republicans

took control of Congress in 1995. It has survived largely

Critics have complained about the regional distri-

bution of the funding and strongly objected to such

endowment-funded projects as the exhibits of Robert

Mapplethorpe's homoerotic photographs and Andres

Serrano's photograph of a crucifix immersed in the

The 31 to 27 vote caught Republican leaders by

'Some signals got crossed," said a sheepisb House

surprise and virtually ensured that the endowment would

majority whip, Tom DeLay of Texas, a member of the committee. Five moderate Republicans joined 26 Democrats to approve an amendment offered by David R.

Obey, Democrat of Wisconsin, to fund the agency for another year at \$98 million as part of a \$13.4 billion fiscal 1999 Interior appropriations bill. The overall bill was

Mr. Obey warned that President Clinton would veto the

bill unless the endowment funding was included. (WP)

"The Milky Way galaxy contains 100 billion stars. Most are these red dwarfs, these little runts of stars," Mr. Marcy said.

Now that scientists know even such tiny stars can form planets, he added, they can plausibly hypothesize that there are "at least billions of planets just within our galaxy alone."

Though the newly discovered planet is assumed to be a Jupiter-like ball of gas with no solid surface, not particularly hospitable to life, scientists estimated that the planet's interior could be warm enough to harbor a key requirement of

life: liquid water in the form of a mist. Located in the direction of the constellation Aquarius, Gliese 876 is about twice as close as the next nearest star found to have a planet, or about 87 trillion miles away.

'This is an incredibly important finding," said Stephen Maran, a spokesman for the American Astronomical Society This has to mean there are planets all over the Milky Way. Who's to say we

aren't floating in a sea of planets?"

And, he added, because red dwarfs never change, "you have forever for life to evolve.

red dwarf, the first such dim, low-mass Bacteria Flourish in Antarctic Ice Lakes

The Associated Press
WASHINGTON — In a discovery that suggests life is possible oo Mars or on a frozen moon of Jupiter, researchers say they have found colonies of bacteria thriving inside blocks of ice in lakes near the South Pole.

centigrade (32 degrees Fahrenheit).

"This is more proof that life is a lot more

vallis, co-author of a report published Friday in the journal Science. While taking ice cores from six lakes, the researchers found a layer of dust and grit six to eight feet (1.8

Researchers found the teeming colonies of microbes while drilling through the perpetual ice that fills shallow lakes in Antarctica. They were living in tempertures that seldom rose above zero degrees

hardy than we once thought," said Brian Lanoli of Oregon State University in Cor-

to 2.4 meters) below the surface.

Stephen Giovannoi of Oregon State also a co-author, said the particles had been blown onto the ice in the Antarctic summer, when the sun always shines. They absorbed solar heat and slowly sank into the ice. Pockets of water formed around them and it is there that the bacteria live.

They are frozen more than half the year and are active only while the sun shines, making food through photosynthesis.

Away From Politics

 Withering in a heat wave, Midwestern utilities asked millions of customers to save electricity by turning off lights and cutting back on appliance use. The 90-degree heat has caused a surge in demand for electricity and forecasters do not expect a break until next week.

 After months of arm-twisting, key CBS News executives have overcome their skepticism and agreed to proceed with developing a second weekly edition of "60 Minutes." the oldest and most soccessful news program in television, people close to those executives said. Don Hewitt, who has been the executive producer of "60 Minutes" since he created it 30 years ago, is the crucial person whose mind has been changed on the sobject, said two people who spoke with him. (NYT)

 A helicopter showing tourists Kauai Island in Hawaii crashed on a mountainside and authorities could not get to the rugged site to determine if there were survivors among the six people on board. A search led to Mount Waialeale, where wreckage was seen at an elevation of 2,300 feet.

Barbara Sinatra, the 71-year-old widow of Frank Sinatra, and three other people were robbed of \$17,000 as they took an evening stroll down a Beverly Hills street, police said. The robbery was committed by three men, apparently unarmed. There have been no arrests.

• A man who confessed to 600 killings should not be executed by lethal injection next week, the Texas Board of Pardons and Paroles said. Henry Lee Lucas confessed to the killing for which be was condemned, but later said he was

Subscribe and SAVE

up to 53% off

Also available:

the cover price.

PAY MONTHLY

Gingrich Backs 'Fast-Track'

WASHINGTON — The House speak grich, has promised that Congress will try again in September to give President Clinton expanded "fasttrack" trade negotiating authority - an issue that

keep the world economy moving forward is the United States," Mr. Gingrich said. "The trick is for us to send a signal that we want a stronger and more vibrant world

state lawmakers to go home for the Fourth of July recess with promises of action to lift farm exports. 'Fast-track' legislation would grant the president the

right to negotiate trade agreements that Congress could approve or reject but could not amend.

Snch legislation was pulled from the House floor in November because it failed to garner enough votes.

The opposition was led by the House minority leader, Dick Gephardt, Democrat of Missouri, who carried the

Granting such presidential powers over trading agreements is considered even more difficult to pass in an election year, and the White House already indicated it would not seek another vote on the issue before the midterm elections.

Quote/Unquote

Herman Badillo, the Puerto Rico native who became one of New York State's best-known Democrats, switched to the Republican Party on Thursday, and said be wanted fellow Hispanics across the country to do the same. At a news conference, he said: "I have felt increasingly that the Democratic Party takes large por-tions of its constituency for granted, especially the Hispanic community." (AP)

sharply divides Democrats.

"The only country economically strong enough to

market, and that means a strong vote on fast-track."

Mr. Gingrich's stand Thursday won instant praise from the U.S. Chamber of Commerce and allowed farm-

majority of Honse Democrats with him.

Erik Mortensen, Fashion Designer, Dies

Mortensen, 72, a leading fashion designer who worked for the houses of Pierre Balmain and Jean-Louis Scherrer, died Tuesday, the Scherrer house said Friday. He had been suffering

from skin cancer for many Born in Denmark, Mr. Mortensen was best known for his elegant, classic approach to clothes with a feminine accent. He liked working with opplent fabrics such as silk taffeta and ruffles, and

be lady-like. In a statement, the Scherrer house praised Mr. Mortensen for his "great talent and moral integrity."

believed that clothes should

Mr. Mortensen trained under Denmark's most prominent fashion designer, Hol-

In 1948, he moved to Paris where, at age 22, he was hired by Mr. Balmain as an assistant. He was chief designer at Balmain from 1982 to 1990, when he left to work for the rival Schemer house.

He was awarded the presfigious Golden Thimble in 1983, 1987 and 1994. In the mid-1980s, Mr. Mortensen created new uniforms for the French police, replacing the famed kepi hats with a flat cap inspired by the

American police. Ivo John Lederer, 68, Eastern Europe Scholar

NEW YORK (NYT) -Ivo John Lederer, 68, a refugee in the only group of European Jews given special passage to the United States by President Franklin D. Roosevelt during World War

II, died June 18 in New York of pancreatic cancer. Mr. Lederer was a profes-

sor of contemporary Russian and Eastern European history at Princeton, Yale and Stanford between 1954 and 1977, when he began a second career bringing government and business leaders together to discuss the interaction of fordiscuss the interaction of foreign and business policies.

Vichy Cabinet Member PARIS (Reuters) - Fran-cois Lehideux, 95, the last

ippe Petain, died Sunday.

Francois Lehideux, 95, surviving member of the cabinet of the French wartime collaborationist leader Phil-

He was state secretary for dustrial production in the o'Dwyer of New York, held elected posts from 1963 to 1965 as a city councilman and from 1973 to 1977 as industrial production in the Vichy regime from February 1941 to April 1942. After the war, he was charged with par-ticipating in talks between the German occupation authorities and Louis Renault on possible cooperation by the Renault car factories in the German war effort. He was tried and acquitted in 1949.

Paul O'Dwyer, 90, New York Politician NEW YORK (AP) - Paul

O'Dwyer, 90, a liberal lawyer who championed causes from voting rights to Irish independence, died Wednesday.

Mr. O'Dwyer, a brother of

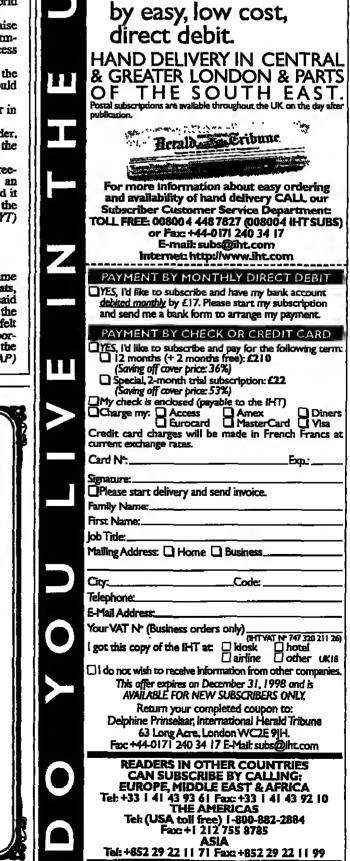
Thursday

TribTech explores and explains the breakthroughs that drive technological achievement in the Information Age, as they transform business strategies around the world and bring excitement and entertainment to daily life at home. Revolutionary ideas, fresh applications, hot new products, time-saving software, cutting-edge gadgets — you'll find out about it in TribTech.

Every Thursday in the International Herald Herald Tribune

THE WORLD'S DAILY NEWSPAPER





High Court Holds Employers Liable for Sex Harassment by Bosses By Joan Biskupic Sonably anticipate the possibility of such conduct of her job of a proposition of the possibility of such conduct of the pos

WASHINGTON -- Employers are responsible for lewd remarks, offensive touching and other sexual harassment engaged in by supervisors, the Supreme Court ruled Friday. The justices also said that a worker who spums a boss's sexual advances and does not lose his or her job still can

win monetary damages from the company.

The long-awaited, 7-to-2 rolings in a pair of cases raised the stakes for employers trying to deal with the wide range of sexually tinged conduct and abuse in the workplace. The message to private companies and government employers was: Get.

serious about sexual harassment or you will pay.
The justices observed that 12 years after the court first said that sex harassment was a form of sexual discrimination forbidden by law, it was obvious that harassment was still a common problem in American offices, factories and other workplaces.

''An employer can, in a general sense, rea-

sonably anticipate the possibility of such conduct occurring in its workplace," Justice David Souter tangible job loss. It said that a company would always be liable if there was a tangible loss.

But it said that if the threats went unfulfilled, the offender where to go." ployer as one of the costs of doing business, to be harged to the enterprise rather than the victim."

By ruling that employers are subject to "vi-carious liability" in all cases of harassment by supervisors, the justices put the burden on the companies to come up with policies against sexual misconduct and enforce them. But the court also provided new clarity for employers and specific steps to follow.

Lower courts were conflicted over when employers are responsible for supervisors' harassment and whether a man or woman could sue for damages when threats of retaliation for spurned sexual advances went unfulfilled.

the employer would have a chance to overcome liability with two defenses. It said an employer could show that it had taken reasonable care to prevent and promptly correct harassment and that the employee had failed to take reasonable steps to either prevent or stop the harassment.

One of the cases involved Beth Ann Faragher, who was a lifeguard for the city of Boca Raton. Florida, and was abused by two supervisors. They patted her thigh, slapped her on the rear, and called her and other women offensive names.

A federal court had ruled in the case that the city or any other employer could be held liable for a supervisor's harassment only if the employer had given the supervisor authority to harass. The Supreme Court overruled that decision, saying that a supervisor works as an agent for the company and that his harassment necessarily

Justice Souter wrote, "but it may be difficult to offer such responses to a supervisor."

The second case involved Kimberly Ellerth, who worked in marketing for Burlington In-dustries in Chicago and whose boss told her, "I could make your job very hard or very easy," and asked her to wear shorter skirts, ogled her body and touched her inappropriately. She oever submitted and was promoted despite rejecting her boss. The justices said she could sue and sent the case back to lower courts.

Other Rulings on Last Day of Session

There were these other highlights of the final day of the high court's 1997-98 session. The

Associated Press reported: • In an unusual double-jeopardy ruling, the court made it easier for states to punish habitual

• Turned away a dispute over a Utah public

Theory of the second of the se twice for the same crime does not apply to sentencing proceedings in noncapital cases

Mark Tachlich

Martin Ma

and a Kennester and a second and a second a seco

the Asian Table

laks With D.

The Asian Target

The same of the sa

DE DONG!

Resident to

man aller ... Par.

M Chare

perclar.

and a contract

Who seems to

Continued for a 1-24

MARK CO.

matters :

AMERICAN SHIP

Linguage ...

使用的位置

Desir lectures)

to Mate Hitte

torned in it is ...

2002 2004

In the second

M. Change The Control of the Control female and a second

And which the contract of the

Rest t charge a second charge a large and the large and th

UNTON: Ahead of

Ø

UNCER

- FAT

·Dain

THEFT

• Let the government continue banning the sale of Penthouse and other sexually explicit magazines on unilitary bases. The court, withour comment, turned away arguments by Pent-house's publisher that the ban enacted by Congress in 1996 wrongly discriminates against magazines that "deal with sexuality as healthy, and enjoyable."

the particular and the particula school teacher's alleged in-class religious activities, letting stand a ruling that has raised concern nationwide among supporters of strict church-state separation. The court, without com? ment, refused to revive a former Salt Lake City high school student's federal lawsuit that accused a music teacher of violating her religious rights by using his class to promote the Mormon religion.

World Bank Resumes Loan Program for India

By David E. Sanger New York Times Service

NEW YORK - Six weeks after India conducted nuclear tests that prompted economic sanctions by the United States, the World Bank has resumed its lending program to New Delhi with the endorsement of the Clinton administra-

U.S. officials said Thursday that the aid, \$543 million in loans, is chiefly humanitarian and thus exempt from

The American decision suggested that, despite President Bill Clinton's warnings about the harm that economic sanctions would do to India and Pakistan, which later conducted tests of its own, most World Bank projects would probably move ahead. The bank focuses most programs on health, nutrition, education and rural develop-

KOSOVO: New Attack Expected

Continued from Page 1

The Serbian military, which has been warned that NATO could launch strikes if the troops and policemen are not withdrawn from Kosovo, has set up 30mm anti-aircraft weapons and SA-9 surfaceto-air missiles around the airport and on

of the rebel-held pockets and there were and the International Monetary Fund. large-scale troop movements along the But the law exempts aid for "basic large-scale troop movements along the roads outside of the provincial capital.

COL

dis

ser

bus

(an

nev

anı

Fra

"All the signs are there of a pending defined in the legislation. attack," said a senior Western military official. "It will take the Serbs a few hours to roll into these areas and smash through the roadblocks.

The rebels don't stand a chance, but this attack will trigger a wider, deadlier in voting against most World Bank prowar, bringing the conflict to the cities, creating small, mobile bands of armed men that could see fighting here last for

"The Serbs will have some shortterm gains, but this assault could mean that in the end they have lost Kosovo.'

In a last-ditch effort to prevent such an attack, the U.S. ambassador, Richard Miles, and Christopher Hill, the U.S. ambassador to Macedonia, drove out to the rebel barricade at Lapushnik shortly after Mr. Holbrooke's plane left.

The diplomats sat on a grassy slope next to two white armored embassy vehicles waiting for a local rebel commander, who appeared after about 30 minutes in fatigues and a beret.

"We are against all blockage of roads," Mr. Hill told the commander. 'We need time. We are deeply concerned and deeply engaged in finding a peaceful solution, but a peaceful solution is the only solution.

The rebel commander made no commitments but promised to deliver the message to his superiors.

The American diplomats traveled back to Pristina along the deserted road, covered with spent shell casings, subdued and despondent.

Continued from Page 1

Piero Luigi Vigna, Italy's chief organ-ized-crime prosecutor, who lobbied to

the state is reducing its attention to or-

"It could be interpreted as a sign that

Since the killings of Mr. Falcone and

Mr. Borsellino, who are revered as mar-

tyrs of the anti-Mafia crusade, the gov-

ernment has rotated 150,000 servicemen

through Sicily, about 4,000 at a time.

With soldiers standing guard, thousands

of police officers were freed to help with

In the last few years, hundreds of

Mafia members have been arrested and

convicted, including figures like Sai-

vatore Riina, the "boss of bosses," who

was given a life sentence last year for his

No prosecutors have been killed since

the army arrived, and that alone has led

many to conclude that the most dan-

gerous crime networks have been dis-

mantled. But that opinion is not shared

blow, but it is an organization that knows

how to restructure and survive in bad

times," said Gian Carlo Caselli, the

"but the Mafia wouldn't be the Mafia

unless it had deep alliances in the world

The Mafia has been dealt a harsh

role in the killing of Mr. Falcone.

by judges and prosecutors.

chief prosecutor in Palermo.

of politics and high finance."

keep the soldiers in place.

gamized crime in Sicily.

investigative work.

It is unclear whether the adminis-tration will seek to block electric power projects, which are often part of de-

velopment programs.
U.S. officials have previously said that the sanctions are ending military sales to both governments, but they have not banned trade, bank loans to privately owned companies or investment by American companies. Military sales, munitions exports and small military training programs have been terminated. Financing by the government's Export-Import Bank, including \$500 million in pending deals in India, will not go for-

The new World Bank loan is for Andhra Pradesh, a state that has been a leader in economic reform. The state has 73 million people, and the bank said about 30 percent of the children suffer from malnutrition. The literacy rate is 44

percent, lower than India's average.

The package the bank approved is directed at those problems, including projects to ensure that more children complete primary school, to train health workers and to pay for immunization and nutrition services for preschool children and pregnant and nursing women. Money for irrigation systems and the maintenance of rural roads is also in-

U.S. officials said all the programs fall under an exception in the 1994 Nuclear Nonproliferation Act. That law requires Washingtoo to cut off virtually all direct aid to nations that conduct nuclear tests; it also bans American banks from makhills.

ing loans to their governments and manThere has been a heavy concentration dates that the United States vote against
of armor and heavy artillery on the edge aid to those countries by the World Bank

buman needs," a category that is not

It is up to the U.S. administration to devise a definition, and it appears to have chosen a relatively broad one, especially after it became clear that other industrialized countries would not join grams for the poor.

The United States has about 18 per-

cent of the voting power in the bank, not enough to block a program by itself.



TIME CHECK -- President Fidel Castro of Cuba, right, checking his watch Friday as he greets President Ernesto Samper of Colombia, who was in Havana for a health conference for nonaligned countries.

KOREA: 9 Are Found Dead in Submarine

Continued from Page 1

Korean War armistice.

The ministry called for a meeting of enerals from North Korea and the United Nations Command, including the United States and South Korea, at the village of Pammunjom in the demilit-arized zone that has divided the Koreas since the end of the war in July 1953. South Korean military officers said

the North Korean agents found in the submarine may have been picked up, possibly Sunday night, from missions in the South. They found three sets of American-made infiltration gear and an empty pear juice container made by a South Korean manufacturer.

"They were probably trying to contact spies here," said a report Friday night on the state-owned Korea Broadcasting System. "Their purpose is to instigate turbulence in South Korean society regardless of the South's policy toward the North."

Military officers speculated that the submarine may have dropped off agents before picking up the ones who were. killed. There were no signs, however, of a manhunt similar to the 53-day search that followed the grounding of a larger North Korean submarine in the same area in 1996.

The chief of operations of South Korea's Joint Chiefs of Staff, Lieutenant General Chang Yong Jin, described what he said was "the most plansible

Charge Official Calls To scenario" of how the nine North Koreans had died.

Four trained agents killed themselves after mowing down live crew members who had resisted an order to commit suicide to avoid capture," General Chung said.

He drew the scenario from a macabrei scene in which the bodies of the four!
agents were found with bullet wounds in
their heads while the five sailors, apparently after a struggle, with shots to various parts of their bodies. Nearby: were two AK-47 rifles as well as two machine-gans, two hand grenades, two pistols and a rocket propelled grenade; tube for knocking out tanks.

The apparent murder suicide was grinly reminiscent of the previous sub-

marine episode. Nonetheless, some experts doubted that the latest incident would have serious long-range reper-

'Its negative impact on inter-Korean relations is rather limited,' said Oh San Yul, senior research fellow at the Korean: Institute for National Unification, and arm of the Unification Ministry.

Mr. Oh said be doubted, however, that? North Korea would issue an apology, which it did three months after the 1996 incident. 'North Korea stated this submarine was on an exercise," he said. "Ir is very difficult to prove their real in? tention, and it is more important that we get rid of these tensions between North

BRIEFLY

India Cites U.S. As Security Concern

NEW DELHI - India said Friday that security concerns over the United States, as well as over China and Pakistan, played a part in its nuclear tests last month.

George Minister Fernandes said New Delhi's decision to stage the tests was justified because of the presence of three nuclear powers in India's neighborhood...

There is Pakistan in the west, he said, "China in the north and the United States in the south in Diego Garcia." The United States has a naval base in Diego Garcia, an Indian Ocean island

K. C. Pant, a former defense minister, said this month that "India's security concerns extend beyond
(AFP):

In Taiwan, Spread Of Virus Is Slowing

TAIPEI - Experts said Friday that the spread of an intestinal virus was slowing, but urged parents to take steps to protect their children from the contagion for which no vaccine has been found.

The decline is encouraging said Umesh Parashar of the U.S. Centers for Disease Control. He added that personal bygiene and other prevenove steps were effective in avoiding infection.

Officials say the virus has killed 50. young children in Taiwan and led to 253 being hospitalized. (Reuers)

Cambodia Leader Calls for Fair Vote

SAMRONG TONG, Cambodia - The Cambodian leader Hun Sen called Friday for a fair election. saying all parties should be allowed to campaign freely for the vote scheduled for July 26.

Speaking to villagers west of Phnom Penh. Mr. Hun Sen said no one should be forced to vote for his Cambodian People's Party.

The party has been accused of unfair tactics, including a drive to force people to pledge their vote to

Chile Freezes Plan To Buy Fighter Jets

SANTIAGO - Chile has frozen plans to buy state-of-the-art figurer jet aircraft amid national budges cuts to offset the impact of Asia's financial crisis.

Finance Minister Eduardo Animal announced the move Thursday as part of a package designed to shore up spending so that Chile's economy does not unravel as dollar esonings shrink because of the crisis.

Chile has been considering spending \$600 million on jet fighters from Sweden, France or the United States a move that raised concern about a regional arms race. (Reuters)

Friday, signaling Nigeria's emergence by the military is at the root of the the release of some political detainces; from diplomatic isolation after the death country's current political and economic are a promising start, which L in my of General Sani Abacha, diplomats said. stalemate. Mr. Abiola's name was con-They said General Abubakar's talks spicuously absent from the list of 17 retary-general and as a Nigerian, very

with a British junior Foreign Office minthan an hour, focused on restoring democracy to Africa's most populous na-

Mr. Lloyd's visit on behalf of the EU. the first by a British minister since 1996, would have been unthinkable before the June 8 death of General Abacha, who was condemned for abusing hu-

man rights and ignoring democracy. LAGOS — Nigeria's new military High oo the agenda was the plight of ruler, General Abdulsalam Abubakar, Moshood Abiola, the presumed winner met with a European Union envoy on of the 1993 elections whose annulment detainees released by General Abubaicar ister, Tony Lloyd, which lasted more on Thursday. Those freed included Olisa statement in London. "I am greatly Agbakoba, an opposition leader and and-Abacha campaigner, as well as other opponents of the late strongman.

British EU Envoy Breaks Isolation of Nigeria

Emeka Anyaoku, secretary-general of the Commonwealth, which suspended Nigeria in 1995 for executing Ken Saro-Wiwa, an author, and eight other minority rights activists, said he would visit Ni-

geria over the weekend to encourage General Abubakar to restore democracy. "The positive steps taken so far by Nigeria's new bead of state, including the release of some political detainees; much welcome. Mr. Anyaoka said in looking forward to my talks with Generai Abubakar."

Trimble and the hide of Mr. Blair, two that will bring together members of the liars, to the fence." Mr. Paisley said with government of Ireland and the new gov-

Kingdom.

The United States, which like the EU and the Commonwealth imposed limited sanctions on General Abacha's regime, said it would send a high-level delogation to Abuja, the capital, as soon as

the military government could meet it.

erument of Northern Ireland, Mr. Pais-

ley and his followers have vowed to

stymic that, saying Friday that they in-

tended to "destroy the pan-nationalist

Nationalist is the term for people,

largely Catholic, who seek eventual ab-

sorpoon into the Republic of Ireland.

Unionists are those, mostly Protestant,

who favor remaining within the United

Paisley's Democratic Unionist Party,

who won a scat from Londonderry, said,

'Anything in the assembly that is likely

to lead us closer to the Republic of

Ireland, we will block, will vote against

man executive, and one of them will be Mr. Adams, who was a winner Friday in

The new speaker of the assembly, called the "First Minister," will most likely be Mr. Trimble, although in a far

weaker state than be had hoped. Mr.

Hume will almost certainly serve as the

deputy.

What appeared in have cost Mr.

What appeared in favorates in recent

Trimble support were disputes in recent

weeks over disarmament of paramilitary

groups like the IRA and the early release

of paramilitary prisoners. His critics said that without firmer conditions governing

those two matters than existed in the

final settlement document, members of

parties linked to paramilitary groups like

Sinn Fein could take office in the new

Northern Ireland government without

making any permanent commitment to

In a place where mistrust is so deep and the memory of bloodshed is so fresh,

such arguments have great force, and

Mr. Trimble's calm reassurances and

lunge for the statesmanlike stance were

In the early counting, the Ulster Uni-

onists were performing so poorly and the

Social Democratic and Labour Party

was showing such surprising strength that Mr. Hume's party was within reach of supplanting Mr. Trimble's as the

In recent elections, Sinn Fein had

been capturing more and more of the

ending violence.

no match for them.

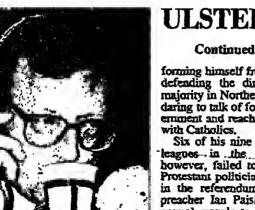
biggest vote-getter.

The assembly will also create a 12-

and we will endeavor to stop."

his West Belfast district.

Gregory Campbell, a member of Mr.



assassinations in broad daylight were an into our society to be rooted out quickly

in 1974, but renovation funds were compounded by the reality of recent

for hundreds of public works projects in on how to fight crime. Also, a law passed

David Trimble, the Ulster Unionist leader, sipping tea after his victory.

ITALY: As the Army Leaves, Sicilians Worry About Mafia's Return

Like his colleagues, Mr. Caselli still has a phalanx of armed bodyguards.

was in 1992, when car bombs and brutal

almost weekly event.

Italy's South.

misused public funds.

forcement officials.

"It has gone underground," he said, measures to do something," said Antonio the Mafia wouldn't be the Mafia onio Manganelli, Palermo's chief of po-

Palermo is less palpably tense than it

There are a few vivid signs of new-

found normality: The 19th-century neo-

classical opera house, Teatro Massimo.

reopened in April with a performance of

"Aida." It was closed for minor repairs

siphoned off by the Mafia as they were

Around the opera house, bowever, the

luxuriant city center is still marked with

oeglected buildings and hideous high-

rises, a testimony to how the Mafia, with

the collusion of corrupt elected officials,

ing staggeringly high unemployment, which has reached 60 percent among the

young. Extortion, a Mafia mainstay, is

stronger than ever, according to law en-

there is much work to be done, it is time

for the army to leave. "Six years ago, it

seemed we had no strength left to fight

the Mafia, and we needed extraordinary

lice. "But all extraordinary measures

must have a beginning and an end."

Some officials say that even though

There are other endemic problems

that keep the Mafia well-rooted, includ- mense opportunity.'

ULSTER: Split in Unionist Vote May Weaken Province's Assembly

jubilation as he followed the count from

his North Antrim district. Prime Min-

ister Tony Blair was a sponsor of the

peace talks that led to the settlement and

had tried to shore up Mr. Trimble when

he came under attack from dissident

As he waited for the results in his

Joper Bann district, Mr. Trimble said.

Even Gerry Adams, president of Sinn

"I hoped we were making progress since the referendum, but it might even be we

Fein, the political wing of the Irish Re-

publican Army, expressed concern at the

blow to Mr. Trimble's leadership. "The

Unionist vote has shredded, and that's

are slipping back a little bit."

Unionists.

Continued from Page 1 forming himself from a tribal politician

defending the diminishing Protestant majority in Northern Ireland to a leader daring to talk of forming inclusive goverriment and reaching accommodations

Six of his nine Ulster Unionist colleagues in the British Parliament. however, failed to back him, and the Protestant politicians who voted "no" in the referendum, led by the gruff preacher Ian Paisley, vowed to elect enough people to the 108-member assembly to frustrate its efforts to share authority with Catholics. With the count still incomplete, it was not clear whether they had gained the estimated 30 seats necessary to achieve that goal, but they were showing surprising strength. "We are going to pail the hide of Mr.

Mr. Manganelli said he had been sent

800 new police officers to take over the

security work done by the army.
"The Mafia is too deeply infiltrated

or easily," he warned. "It's going to

take years, and we will have successes

and terrible failures again. As far as I'm

the symbolism of the troop withdrawal is

changes in the law and public attitudes

after the killing of Mr. Falcone and Mr.

Borsellino allowing prosecutors to iso-

late Mafia suspects in maximum se-

noblest of intentions, I'm sure," Mr.

Vigna, the prosecutor, complained.

But they give organized crime an im-

Among those arrested Friday in the

murder, theft, drug trafficking and gun-

also filed new charges against his broth-

Rag) Vitale, was arrested in April.

These reforms were made with the

curity cells was reversed this year.

■ Corieones Rounded Up

Prosecutors, however, complain that

concerned, this is just the beginning.

regrettable." he said.

One of the assembly's early obligations is to create a cross-border council **Belarus Leader Says**

CRANS MONTANA, Switzer-Belarussian capital.

to play down the crisis at an international business forum in this Swiss mountain resort.

rector accused the West of "political provocation" after Western ambassadors and their families left Minsk by car and plane Monday because Belarus had locked them out of their residential compound.

He said that with the exception of the U.S. and Russian envoys, others who left would find that their leases had expired and that upon their return they would be offered new quarters on the outskirts of Minsk.

sentence. In Catania, on Sicily's east coast, police in a separate operation arrested 40 people and filed Mafia-related charges against 14 people already in

Кешего

land — The Belarus president, Al-exander Lukashenko, denied Friday that his country was responsible for a dispute over housing that caused a diplomatic exodus from Minsk, the

Envoys Caused Flap

A defiant Mr. Lukashenko sought

The former collective farm di-

Palermo area on charges including running were 22 suspected members of the Corleone clan, The Associated Press reported. The reputed boss, Vito (Old His sister, Giuseppina Vitale, 26, was jail. picked up in Mr. Vitale's home town,

Catholic vote from the Social Democratic and Labour Party, and Mr. Adams The police said the arrests would prehad hoped to continue that trend in this Partinico, just outside Palermo. Police vent the Sicilian mafin from reorganvote, Bul it was Mr. Hume and his party that made gains at the expense of Sinn izing after the detention of some of its er, Leonardo, who is serving a life prison top godfathers like Toto Riina.

اعتدا س الموسل

Order to Class programme of Ali C Dang treation a street which was the

Charge mary jery ---AR AND ADDRESS OF THE PERSON ADDRESS O The Party of the P desired the second ratheres Republication of the second People at lot delenproduction of the second and any on the state of the sta

the state of the Associated aminin per of personal training points appearing the string believed to ments at a company of sti A page a preference for

desired freedom.

In the policy but there are sure that the policy the other direct character with the policy of t Y Rubin Gets Ass

from Page 1 The most solve its profession of the most solve its profession of the profession of

de la la control de la companya de la control de la contro

Independ hints that its Me de lo be devaire.

The their morning meetout bate a show of varieing or

the mervenion. Mr. Dar

the the Chinese of icials

the part of the chinese of the being the first of the move the state of t

it by Bosses

with stiffer seniences based of a constitutional protection against being the same crime does not be same continue does not be same continue does not be same continue being proceedings in noncapital by a continue based of particular and other sexually of the country of away arguments by a continue by a contin publisher and other sexually of the court with the court was a full me to the court was a full me to the court with sexually as a court of the court with sexually as a court of the court with the court with the court with the court without the court with the court without the court with the co

received lawsouther as received the Mornon electric lawsouther religious religions to the Mornon electric lawsouther religions to the lawsouther relig

Finand Dead in Submania

of how the me k

Tained agents killed to

Tain de to at oid capture. the scenario from a profit

the bodies of the and with bullet upge while the five submarks their bodies for AK rifles as well at the bodies for the bodies fo two hand greater marder-suck

Nonetheless see the lates the the stroug long-range The state of the fe sign wolls: Conten

Manage of the control The Times Mark. Killed states by Tres tare ··· ·· II ·· in unpersable. 11 11 11 11 en 20 V

BRIEFLY

India Cites U.S.

15 Security Concer _ ខុត÷្សស្ន or mand turttageter

the Contract and a Na Depth Acces ್ಷ ಕ್ರಾಂಡಿಕ ಕ್ರಾಡಿಕ್ ಚಿತ್ರಗಳು and the second second and the same of th _____ಬ್ಯಾಬ್ಯಾಟಿಕ 1. 1. 125 172 21 بمقاعد فشدر وجراجا بدرو - 1.61 State 1. October with the state of

In Taitenn Spreed ir Virus Is Slows

E Election A CONTRACTOR غنت تيم ريد ان The second secon

a carabes

The state of the s Carmindia Leade,

crackdown on dissidents as a remnant of still totally unacceptable," he said. Earlier on Friday, Mr. Clinton said he its police-state past, a preference for

there's been some progress in burnan

rights, but it has been not nearly

will be forced to intervene again.

Mr. Rubin was resolutely noncompling with more nettlesome properties than slowing growth.

In Malaysia, Mr. Rubin will face a line Malaysia, Mr. Rubin will face a line Malaysia. potentially unstable political environ-

about the efficacy of such interventions. ment. On Wednesday, the Malaysian He would clearly prefer that Japan tackle prime minister; Mahathir bin Mohamad, Last week, the drop in the yen prompted the United States and Japan to propute the value of the currency by buying the value of the currency by buying that staggers under \$600 billion in bad that staggers under \$600 billion in bad the currency by buying that staggers under \$600 billion in bad the currency by buying that staggers under \$600 billion in bad the currency by buying that staggers under \$600 billion in bad the currency by buying the value of the cu As for China, Mr. Rubin said it, too, and is Mr. Mahathir's heir apparent.

Mr. Ibrahim has clashed publicly with his boss in recent weeks over how of China's banking system, as well as Malaysia should respond to the eco-privatizing thousands of state-owned enterprises. 'You certainly got the feeling says he is loyal to Mr. Mahathir, political of people who understand the probanalysts in Malaysia think Mr. Ibrahim might challenge him if he felt be was

Over the next five days, Mr. Rubin and populist politicians.

Republicans Spot Targets in Clinton's China Visit

By Thomas B. Edsall Washington Post Service

WASHINGTON - President Bill Clinton's trip to China has provided the Republican Party with a number of irresistible targets, even if it means offending the party's corporate allies.

China-bashing scores political points," said a Republican pollster, Frank Luntz, who said his focus groups revealed strong animosity against the Asian nation.

. Over the past couple of weeks. tried to score those points, pushing for measures that would punish China, including denying visas to Chinese officials who have eogaged in religions persecution or forced abortion. Lawmakers eveo approved

The trip itself offers Republicans power, to focus public attention on foreign money fund-raising scan-

ideal for the party's presidential lanta-based Republican pollster. congressional Republicans have candidates seeking to build support among the same constituency. push because it shows the contradictions about Clinton," said Bill McInturff, a Republican polister.

trip 'may help them a little bit with the Democratic blue-collar base, it

dals, to portray Mr. Clinton as weak weigh the costs. "I suppose one can in foreign policy and to build support make the argument that some business for increased defense spending.

These issues, party strategists say, encourage Republicans to vote that initially strikes me as particularly in the off-year elections and are expensive," said Whit Ayers, an At-

For prospective presidential candidates, the China issue provides an "This is a good political story to opportunity. "It is a big winner the more the public focuses on it, and I found in Iowa and New Hampshire that they are focusing on it more and Geoff Garin, a Democratic more," said Gary Bauer, head of the

emment's term for advocacy of in-

"This is not a matter of religious belief," he said. "The Chinese gov-ernment has oever interfered in the

Mr. Ye acknowledged that during the Cultural Revolution of 1966 to

In recent years, Beijing has supported the rebuilding of some mon-asteries and supported aspects of

Tibetan culture. But it has limited

the oumbers of monks and ouns and

gooe to great lengths to weed out or

imprison those deemed to support

the Dalai Lama. Although Tibet is

the Communist Party.

For military hawks in the party, the chance to play on American burts them just as much with their Mr. Clinton's trip to a Communist Democratic Party from Chinese anxicty over a major Communist white-collar and business base."

Country armed with missiles pointed government agencies. at the United States provides fodder 'star wars."

"The Republican Party is preman, Jim Nicholson, wrote in the favored-nation trade status for Washington Times. "What Bill China.

Clintoo said back in 1996 about no Senator Chuck Hagel, Republi-Clintoo said back in 1996 about no foreign missiles being aimed at our can of Nebraska, said he strongly kids wasn't true."

Perhaps most inviting is the op-

a symbolic resolution instructing strategist, countered that while Re-Campaign for American Families, tions from cootractors involved in Mr. Clinton not to enter into new publicans' criticism of the China who is considering a bid for the Re-technology transfers to China resalellite agreements with China. allegations of cash funneled into the

> Not all Republicans are comfortfor the drive to restore funding of the able with this strategy. The House Strategic Defense Initiative, or Ways and Means Committee, with the support of the speaker. Newt Gingrich, Republican of Georgia, pared to have this become a political voted Thursday to back Mr. Clinissue," the party's national chairton's decision to renew most-

> opposed any criticism of the China trip."To beat up on the president portunity to use the trip to focus and then to try to intentionally empublic attention on 1996 Democrat- barrass him and the Chinese is not ic fund-raising involving contribn- the right thing to do," he said.

The Internet Doctor Is In XIAN, China - American and Chinese doctors consulted across cyberspace on Friday in the first successful live medical teleconference between their countries. Secretary of State Madeleine Albright and Commerce Secretary William Daley visited the project Friday and hailed the potential of the Internet for improving health

watched.

care and building bridges between people.

"We are crossing into new frontiers of medical communication," Mrs. Albright said. "We are using technology the way it should be used --- to save and improve

BRIEFLY

XIAN, China — A Chinese security guard tried to stop President Bill Clinton's two valets from boarding Air

Force One on Friday, apparently because they are Filipino-Americans, the White House said.

The valets were carrying Mr. Clinton's bags aboard the

plane at the airport in Xian for departure to Beijing when

the guard began shouting at them as they climbed the airliner's back stairs, creating a commotion as reporters

The White House spokesman, Michael McCurry, said

that Mr. Clinton's Secret Service agents believed the

valets "were stopped and singled out only for reasons of

The implication appeared to be that the Americans were allowing two Chinese to board Mr. Clinton's plane surreptitiously. (Reuters)

President's 2 Valets Hassled

people's lives."

One case at the Medical University in Xian, the first stop on President Clinton's tour, involved a two-weekold baby who slipped into a coma shortly after birth and

then came out of it. Chinese doctors wanted to know what caused the problem and its long-term impact.

A second case involved a 12-year-old girl with an

unidentified de bilitating beart condition.

Doctors at Stanford University Medical Center and the Lucille Salter Packard Children's Hospital in California were seen on a computer screen. X-ray images of the Chinese patients were also transmitted. (Reuters) Chinese patients were also transmitted.

Clintons Do the Tourist Bit

XIAHE, China - Not every tourist gets up close and personal with the terra cotta warriors of Emperor Qin Shihuang, but Mr. Clinton, his wife and their daughter were allowed into the pit to walk among a hattalioo of the 7,000-plus excavated statues lined op for battle.

Agog. Mr. Clinton stopped before one of the lifesize warriors and reached ont to touch its face, modeled after a real person 2,000 years ago.

"Whenever I experience something like this I feel a little more bumble and I also feel reminded that you have this limited amount of time on Earth and you have to do what you can to try to help people make the most of it," the president said.

Afterward, Mr. Clinton and his daughter, Chelsea, bought a warrior head from the museum gift shop after a bit of hard bargaining that brought the price down from abont \$225 to \$45.

The president's chief of staff, Erskine Bowles, did the first family one better. He bought a full-size reproduction of a terra cotta

warrior for \$1,100. There was no word on how well his bargaining went.
"My wife will either like it or she's going to kill me,"

religious practices and beliefs of the Tibetan people. 1976, religion was repressed in China including Tibet, where many monasteries were destroyed and

Commerce Secretary William Daley, left, and Senator Jay Rockefeller, Democrat of West Virginia, strolling in Xian on Friday.

But some evangelical Protestants religious persecution. On Sunday, who reject government control, and Bill and Hillary Clinton will attend Catholics who insist that the Pope is services at the largest officially their spiritual leader, have faced sanctioned Protestant church in fines or arrest, leading to charges of Beijing.

Facing

Christians and Jews of America must reach for the courage of Jesus and Moses in order to diffuse the spell of mutual distrust that continues to embroil all of the Children of Abraham.

Their frequently misplaced righteousness and one-sided sense of moral culpability perpetuate the painful plight of every innocent victim in the Holy Land.

America's Christian and Jewish leaders should set aside their concern for political correctness and relinquish the evasive tactics of the past. Unless they take hold of the fast-deteriorating situation in the Middle-East, Israel's self-inflicted isolation and escalating abrasiveness will lead to further sufferance and vindictive bloodshed in what was once the land of milk and honey.



617 New York Avenue, N.W., Washington, D.C. 20001 (202) 393-9393

Talks With Dalai Lama Rejected Chinese Official Calls Tibetan Leader a Relic of the Dark Ages

By Erik Eckholm New York Times Service

BELIING - China's senior religious official on Friday vebeday, that China engage in discussions with the Dalai Lama over greater autonomy for Tibet.

At a press conference oo the day Mr. Clinton arrived in Beijing for a state visit, the official condemned the exiled Tibetan Buddhist leader as a relic of the Dark Ages who wants to trick China into letting the vast mountainous territory on China's western border break

tration for Religious Affairs, of proposals to allow the Dalai Lama to return and wield power. "If so, what

about?" Mr. Clinton is under pressure

Mr. Clinton will make any headway

already said as much. . Mr. Ye's statements did not rep-

Continued from Page 1

summit agenda, hoping to win last-minute concessions from the

tion officials said.

ident's visit.

American side, U.S. administra-

U.S. hopes dimmed for sobstan-

tive progress on buman rights and

missile-technology transfers, and the White House has so far been

thwarted in its pleas to allow live coverage in China of the rhetorical

centerpiece of Mr. Clintoo's visit,

Using unusually harsh lan-guage, Samuel Berger, the nation-al security adviser, said that the Chinese internal security appar-

atus was "doing what comes nat-

urally" by harassing outspoken

dissidents who officials fear might

embarrass Beijing during the pres-

"People are not debris to be swept up for a visitor," Mr. Berger said at a news briefing Friday in Xian, Mr. Clioton's first stop on his nine-day trip. "We certainly will out accept this."

Human rights groops reported that four dissidents were arrested

in two Chinese cities and that one

was driven out of Xian in the hours

Press reported that as many as

three of the dissidents may have been

released Friday.

Mr. Berger tried to explain Beijing's

the Beijing University speech.

often condemns him in the harshest ities," Mr. Ye said, using the gov-

In an interview with the Amer-dependence. ican-sponsored Radio Free Asia oo Wednesday, Mr. Clinton said, "We meotly rejected proposals, to be advanced by President Bill Clinton during his summit meeting Saturand, "We think it's wrong for the people of Tibet to be subject to any sort of religious, cultural or ecocomic discrimination."

Mr. Clinton added that the United States did not seek independence for Tibet and that be understood China's monks imprisoned. historical fears of disintegration.

The Dalai Lama, hereditary spiritual and political leader to many Tibetan Buddhists, fled Tibet in 1959 as the Chinese Communists crushed a rebellion and began to "Should we send Tibet back into remake the old society. From his the original feudal serfdom, so dark, exile in India he has made little beadso savage, so cruel?" asked Ye Xi- way toward greater independence formally a semi-autonomous re-aowen, director of State Adminis- for Tibet but has recently gained a gion, it remains tightly cootrolled by wide following in the West,

in recent statements, the Dalai Lama has said he does not seek human rights are we talking independence, but rather autonomy over civil affairs.

But Mr. Ye said Friday that the more broadly defended China's refrom Congress and rights advocates talk of greater autonomy was merely ligious policies, which have been to make China's rule in Tibet, which a trick. "He is turning a one-stage attacked abroad as repressive. critics say is repressive, an impor-tant issue in bilateral relations. strategy for independence into a two-stage strategy for indepennt issue in bilateral relations. two-stage strategy for indepen-There appears to be no chance dence." the official said. If he continoes on his current course, Mr. Ye this week in defusing the Tibet is- said, the Dalai Lama "will meet believe that the distinct features of site, and American officials have retribution according to the Buddhist scriptures."

resent a change in policy for the Dalai Lama has betrayed his moth- churches that accept the oversight of Chinese government, which has erland by going into foreign exile the government have been allowed loog mistrusted the Dalai Lama and and has engaged in splitist activ- to grow, even thrive.

China is oow promoting economic development in the region, which it often trumpets in the official press. At the press conference, Mr. Ye

'The Chinese government has made releotless efforts to guarantee its citizens freedom of religious be-lief," be said. "At the same time, we each country should be respected."

uddhist scriptures." In Communist China, religions
"It is a well known fact that the freedom means that Christian

CLINTON: Ahead of China Summit, Tension Over Dissidents Rights Watch Asia, said that the U.S. administration's unwilling-

> not to offend the Chinese." He called on President Clinton to signal his displeasure by withbolding something the Chinese want, such as the planned visit to the United States this year by Prime Minister Zho Rongji.

ness to respond with more than

words to the arrests was a sign that

the White House was "desperate

But Mr. Berger said the United States planned to do oothing beyond verbally protesting the arrests. He said it would be against U.S. interests to impose any punishment or withhold any agreements as a result of the police action. He added that the Chinese action was not as severe as previous roundups of dissidents before the arrival of im-

portant foreign visitors. Even as the White House was defending the value of the summit talks to U.S.-Chinese relations, there seemed to be little movement on issnes Washington sees as

The White House has been pressing China to permit the live, nationwide broadcast of Mr. Clinton's speech Monday, in which he was driven out of Xian in the hours before Mr. Clinton and Chelsea, partly hidden, exthursday night. The Associated amining the terra cotta warriors near Xian.

Beging has resisted.

rights, but it has been not nearly enough."

A largely symbolic agreement to retarget nuclear-tipped missiles away from each other's cities appeared to be slipping away because the Chinese continue to insist that the deal be linked to a U.S. pledge not to be the first to use

order over political freedom.

"China is changing, but there are still forces that are resisting." Mr. Berger said, adding: "I think China is an authoritarian nanon, as I've said before. I think there's been some progress in burnan is political forces. The makes it all the more important that we continue to work with the Chinese and there's been some progress in burnan is political freedom.

Earlier on Friday, Mr. Clinton said in the force in sist that the deal be linked to the first to the first to the same progress. The White House had also hoped win commitments from Beijing on hum rights, including the release of jailed distinctions. The White House had also hoped win commitments from Beijing on hum rights, including the release of jailed distinctions. The White House had also hoped win commitments from Beijing on hum rights, including the release of jailed distinctions. The White House had also hoped win commitments from Beijing on hum rights, including the release of jailed distinctions. The White House had also hoped to win commitments from Beijing on human rights, including the release of jailed dissidents and a relaxation of the suppression

YUAN: Rubin Gets Assurances That Currency Will Be Kept Stable again betting on when the United States will travel to Malaysia, Thailand, and will be forced to intervene again.

Continued from Page 1

for this decision." Of Japan, he said,

\$4 billion of yen in foreign exchange markets. Many financial experts think China played an influential role in forcing the intervention by complaining about how the weak yen was burting its exports and by dropping hints that its currency might have to be devalued.

On Friday, before their morning meeting, the Chinese central bank governor, Dai Xianglong, made a show of thanking Mr. Rubin for the intervention. Mr. Dai had been among the Chinese officials who raised alarms in recent weeks about how a weak yen was putting pressure on the yuan. But the effects of the move dwindling and domestic demand slughave largely worn off. After a brief re-bound, the year has settled to about 142 to expect to come out." the dollar, and currency traders are once

"I've not spoken to any person in the financial or political world who does not believe Japan must solve its probloans and a web of onerous financial regulations.

> faced formidable economic challenges. Mr. Zhu is embarking on a broad reform of people who understand the prob-lems," Mr. Rubin said.

> He said the Chinese leaders are sticking to their forecast of 8 percent ecogish, he added, "it's not clear where they

nomic growth in 1998. But with exports ernments are struggling to impose harsh

South Korea — countries that are grap-pling with more nettlesome problems

cut the deputy prime minister, Anwar Ibrahim, who had overseen the economy

being shunted out of power.

In Thailand and South Korea, the goveconomic reforms mandated by the International Monetary Fund in the face of mounting opposition from labor leaders

A Sound Veto Rejection

In a sound and much-needed decision, the Supreme Court has rejected the line-item veto as a departure from the basic constitutional requirement that presidents accept or reject bills in their entirety.

The 6-to-3 decision, written by Justice John Paul Stevens, firmly cast aside government arguments that in canceling specific lines of the budget the president was merely exercising authority delegated to him by Congress. Instead the court found that the line-item veto violates the "presentment clause" of Article I. That clause establishes the process by which a hill becomes law.

opinion rests solely on the procedural problem, never reaching the more profound constitutional defect. The line-item veto is an affront to

It is unfortunate that the majority

for "invasion."

policeman who intervenes to stop a

fight, or the teacher who prevents big

boys from bullying a smaller one - not

to mention the surgeon who saves lives

by intervening to remove malignant

growth, or to repair damaged organs. So it should be in international af-

fairs. The United Nations was estab-

lished to act as a benign policeman or

doctor. Our job is to prevent conflict

where we can, to stop it when it has

broken out, or - when neither of those

is possible — at least to prevent it from spreading.
The UN is prohibited by its own

charter from intervening in the domes-

tic affairs of its members states. Rightly

so. Without sovereign states there is no

global order. But the charter also says

aside if it stands in the way of the

Security Council's overriding duty to

preserve international peace.
On the face of it, therefore, there is a

clear distinction between international

conflict, which is the UN's business,

and domestic disputes, which states are

nowadays start as civil wars, "civil"

only in the sense that civilians - non-

combatants - have become the main

In World War I, roughly 90 percent of those killed were soldiers, and only 10 percent civilians. In World War II,

even if we count the victims of Nazi

death camps as war casualties, civilians

made up only about half of all those

killed. In many of today's conflicts civilian casualties make up as much as

Yet as long as a conflict rages within

a single state, the traditional interpre-

tation of the charter would require us to

let it rage.

Can this be right? The charter, after

all, was issued in the name of "the

people," not the governments, of the

United Nations. Its aim is not only to

preserve international peace - vitally

important though that is - but also "to

reafform faith in fundamental human

rights, in the dignity and worth of the

The charter protects the sovereignty

of peoples. It was never meant as a

three-quarters of the total.

But in recent years this distinction has largely broken down. Most wars

supposed to settle for themselves.

the separation of powers and an abrogation of responsibility by Congress. That issue, however, did get addressed eloquently in Justice Anthony Kennedy's concurring opinion.

'By increasing the power of the president beyond what the Framers envisioned," he wrote, "the statute compromises the political liberty of our citizens, liberty which the separation of powers seeks to secure."

-THE NEW YORK TIMES.

Microsoft's Big Victory

The decision this past week by the U.S. Court of Appeals for the District of Columbia Circuit was a significant victory for Microsoft, perhaps even more so than it initially appears. The litigation dealt with whether

Microsoft's practice of marketing its browser software, Internet Explorer, as part of the Windows 95 operating system violated a consent decree by unfairly using the company's dominant position in the operating system market to squeeze its competitors in the world of browsers.

A district court judge had ordered the company to detach its browser from the operating system; the question on appeal was whether the preliminary injunction had been issued properly.

The appeals court ruled that the lower court holding was procedurally flawed, because Microsoft never had a chance to argue against the preliminary

injunction.

The divided three-judge panel also held that the district court's referral of the matter to a special master was "either a clear abuse of discretion or an exercise of wbolly nonexistent discre-

These holdings alone would have been hig victories, but the court went further. Judge Stephen Williams seemed to go out of his way to reach the merits of the Justice Department's underlying charge that tying Internet Ex-

Stı

rei

Ве

rel

P۴

are

SCI

wil

KO,

bur

(an

ıca

unt

to l

plorer to Windows 95 violated the consent decree - and he then rejected the

department's position. The department argues that the two products are distinct; Microsoft claims the browser is an inseparable part of Windows 95. The court clearly agreed with Microsoft.

Ironically, the decision came after the consent decree litigation had already been rendered virtually obsolete.

Microsoft has a new operating system called Windows 98, and the department has filed a new lawsuit to match. But the logic of the circuit court ruling may apply rather neatly to this

The context differs, of course; the more recent action is not intended to enforce the consent decree but rather the Sberman Act, and the new case deals with somewhat broader allegations of anti-competitive practices by Microsoft.

These practices - assuming the allegations are true — are ngly and could, even if the recent decision is correct on the question of integration, lead a court to conclude that Microsoft has stepped over a legal line.

But one of the major technical premises of the department's argument has been rejected, and that rejection may require considerable legal and intellectual acrobatics to overcome.

Peru's Political Prisoners

It is regrettable that Peru's president, Alberto Fujimori, did not listen to his new prime minister, who suggested that he pardon and expel Lori Berenson, an American serving a life prison sentence for her ties to violent Peruvian terrorists.

Ms. Berenson, a 28-year-old New Yorker, was convicted of treason in 1996 after a sham trial before a secret military court. She was not allowed to challenge evidence, cross-examine prosecution witnesses or call wimesses of her own. President Bill Clinton and Vice President Al Gore have asked Mr. Fujimori to allow her to be retried, with appropriate legal safeguards, in a civilian court. She has spent two years in prison and suffers health problems.

Prime Minister Javier Valle Riestra, constitutional lawyer and burnan rights advocate who has been in office just three weeks, questioned the fairness of the trial and suggested that ber expulsion would improve relations with the United States, Hundreds of Peruvian civilians have also been jailed

after unfair military trials. They, too, should be retried in civilian courts.

Mr. Fujimori, known for his authoritarian temperament and impatieoce with civil liberties, promptly rejected Mr. Valle Riestra's proposal. But it is somewhat encouraging that he also turned down Mr. Valle Riestra's offer to resign. The prime minister, chosen from the political opposition, is also critical of Mr. Fnjimori's unwise quest for a third presidential term.

Mr. Valle Riestra's outspokenness is a welcome development. Peru's democracy was damaged when Mr. Fujimori closed its Congress and courts in 1992. An elected legislature has been restored, but judicial independence has not, and military abuses of human rights go largely unpunished. Mr. Fujimori should do more than just put np with Mr. Valle Riestra's criticisms. He should act on them, beginning with the cases of Ms. Berenson and others unfairly convicted by mil-

-THE NEW YORK TIMES.

Playing Games With Taxes For sheer mischief-making irreidential race. Congress would also ha

sponsibility, it is hard to top the House's action in voting to repeal virtually the entire federal tax code. What, you might ask, will replace it? There is no answer, except for a promise that the question will be addressed sometime in the next century.

The House voted to make the repeal effective on Dec. 31, 2002, and to require Congress to pass a new code less than six months before that, by July 4. Even if one assumes that the deadline would be met, the economic dislocations in the interim would be substantial.

Neither businesses nor individuals would be able to plan their affairs with any firm idea of what the tax laws were going to be. Will the interest on your new mortgage be deductible? Will your IRA remain tax-deferred?

Representative Steve Largent, the Oklahoma Republican who came up with this idea, argues that the certain death of the old tax code would make taxes a central issue in the 2000 pres-

idential race. Congress would also have to act by the deadline, or the government would see its tax revenues vanish. There is a case to be made for tax

reform, but any reform plan will result in some people paying more than they do now, and some less. Republicans at the moment cannot

agree on whether to push for a national sales tax or a flat income tax, so House Republicans simply pushed the repeal through, on a 219-to-203 vote. No doubt they are salivating at the prospect of campaign spots accusing Democrats of voting for the current tax code.

William Roth, the Senate Finance Committee ebairman, suggested that it would be better for the Republicans to have figured out what they were for before they acted on taxes. But the Senate Republican leadership has lined up behind the bill, and so it may yet be necessary for President Bill Clinton to veto this outrageous example of political grandstanding.

-THE NEW YORK TIMES.

Herald Eribune

ESTABLISHED 1887 KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER Co-Chairmen of the Board KATHARINE P. DARROW, Vice Chairman

PETER C. GOLDMARK JR., Chairman and Chief Executive Officer RICHARD WOOLDRIDGE, President and Chief Operating Officer MICHAEL GETLER, Executive Editor

 WALTER WELLS, Managing Editor = PAUL HORVITZ, Deputy Managing Editor
 KATHERINE KNORR and CHARLES MITCHELMORE, Deputy Editors = SAMUEL ABT and CARL GEWIRTZ Associate Editors . ROBERT J. DONAHUE, Editor of the Editorial Pages IONATHAN GAGE, Business and Finance Edite

RENE BONDY Senur Vice President and Chief Financial Officer DIDIER BRUN, Circulation and Development Director
 STEPHEN DUNBAR-JOHNSON, Adventising Director Directeur de la Publication: Peter C Goldmark Jr.

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.
Tel. (1) 41,4393.00 Fax: Subscriptions, (1) 41,4392.10; Adventising, (1) 41,4392.12; News, (1) 41,4393.38.
Internet address: http://www.ibt.com/E-Mail: ibt@ibt.com/

Eduar for Asia, Michael Reinardian, S. Cararrinas, Rd., Singapore 11900, Tel. 105,1472-7708. Fox 105,1274-2334. Mag. Dr., Asia, Terr., Dunce, 80. Gloucester Rd., Hong. Kom. Tel. 852-2922-1188. Fax: 852-2922-1190. Gen Meg. German, T. Schläter, Fredrichett, IS. 10823 Frenchickett. H. 4406971250-30. Pres. U.S., Ann Binkhom, N50 Trans. Ann., New York, N.Y. 10022. Tel. (212) 752-3800. Fax: (212) 752-38785. U.K. Advertusing Office: 03 Long Acre, Landon WC2, Tel. (171) 856-4802. Fax: (171) 240-2254. S.A.S. un capital de 1.200.000 F. RCS Naturerre B 732021126. Commission Paritaire No. 61337. (1998). Invertational Herald Tribune. All rights reserved. ISSN 0C94-8052.



The UN Should Intervene Before Force is Needed

By Kofi A. Annan

Mr. Annan is secretary-general of the United Nations.

DITCHLEY PARK, England — In the context of international relations, interventioo has had a bad press in this century. After various "interventions" by assorted states, the word came to be used almost as a synonym not give the parties any right to disregard the most basic rules of human Yet in other contexts it has a more benign meaning. We all appland the coodnet

Besides, most internal conflicts do not stay internal for long. They spill over into neighboring countries, most obviously and tragically in the form of refugees. And sometimes they oot only spread across existing frontiers but also create oew ones — as happened in the former Yngoslavia - so that what an international one.

In many cases, the conflict eventually becomes so dangerous that the international community finds itself obliged to intervene. By then it can only do so in the most intrusive and expensive way, which is military intervention. And yet the most effective interventions are not military. It is better, from every point of view, if action can be taken before a conflict reaches

the military stage.

Sometimes this action may take the that national sovereignty can be set form of economic advice and assist-ance. In other cases what is most needed is timely diplomacy. The UN intervention I am most gratified by is my journey to Baghdad this February, which helped avert a new war in the

Gulf, at least for the time being. I was able. I believe, to persuade Iraq to respect international law and work with the international community without destroying the Iraqi guvernment's dignity and willingness to cooperate. But there will always be some tragic

cases where peaceful means fail where extreme violence is being used, and only forceful intervention can stop it. In those cases the UN Security Council will sometimes have to decide - it is the only body with the authority to do so - that the situation within a state's borders has become so grave as to justify forceful intervention because it poses a threat to international peace. Most people now agree that the gen-

ocide in Rwanda in 1994 was such a case. General Romeo Dallaire, the commander of the UN mission there, has said that 5,000 peacekeepers could have saved 500,000 lives. Tragically, the opposite course was chosen, and the size of the force was reduced. Not only were nearly a million Rwandans massacred, but similar numbers became refugees in neighboring countries. This led directly to another war in Zaire (now Congo) two years later.

Now we face a new challenge in license for governments to trample on Kosovo. Once again we see towns and

human rights and human dignity. The villages being shelled, indiscriminate fact that a conflict is "internal" does attacks on civilians, and thousands fleeing from their homes - many of them across an international border.

This time, we cannot be taken by surprise, neither by the means employed, oor by the ends pursued. This time, we know all too well what to expect if ethnically driven violence is allowed to cootinue.

Of course, we all hope for a peaceful solution. I particularly welcome President Boris Yeltsin's recent efforts to started as an internal conflict becomes achieve this, and Ambassador Richard Holbrooke's continuing shuttle diplomacy. And we also hope the problem can be solved without destabilizing the region's established borders.

But that only makes it more im-

portant to stop the violence now.

All our professions of regret, all our expressions of determination never again to permit another Bosnia or another Rwanda, all our claims to have learned something from the mistakes and tragedies of the recent past, will be cruelly mocked if we now let Kosovo become another killing field.

TO THE REAL PROPERTY.

427L

-

THE OWNER OF

WATER TO SE

AND AND SE

- Part 1988

34

14 THE PARTY AND ADDRESS OF THE PARTY.

TO

Sar Pri

15 TO SOCIE

100 Marie

TO THE PERSON A ALL STREET

C. S. Water

TILL STATE

4 465

.953 Service

7 For 844

7.4 JA 450

अपनेष्ट्र क्रा ११

Jord Cas Te

*** # TOLE OF

Will Li

GENERAL

BALLING IN

7. 27 V

MARK TO T

Americane":

16 VO

四個語言。

通過(2)

Big in ber field in

MEAN TO SERVICE AND SERVICE AN

Zhen:

And Shappers

Apples Tax Figs

Ann Rentals

ATTENTON !

In 1991, President François Mitterrand congratulated the Security Council on its decision to intervene in the internal affairs of Iraq to save the

Indeed, when people are in danger anywhere in the world, no one has a right to pass by on the other side. It becomes a moral obligation on every one of us to intervene as best we can.

This comment was adopted from a lecture Mr. Annan gave Friday at the Ditchley Foundation.

Act Now to Save Kosovars

By Lionel Rosenblatt and Larry Thompson

WASHINGTON — More than 12,000 refugees from Kosovo have struggled over the mountains into northern Albania, driven by continuing attacks by Serbian military forces.

Refugees we talked with last week in the remote border area of northern Albania described attacks against their villages in Kosovo by Serbian military and police units and artillery barrages. They also told of attacks by fixed-wing aircraft and belicopter gunships.

These attacks are early reminiscent of those conducted with impunity by the Serbian forces in Bosnia until force was finally used to stop them in 1995. Our recommendation is that the international community heed the most important lesson of Bosnia: Early action saves lives. The international community must confront Yugoslavia with a credible threat of force if the killing and persecution of Kosovo civilians are to be halted.

Eventually, when the full borror of Serbian behavior is revealed to be just as monstrous as in Bosnia, the world will react. But by then, many more lives will have been lost and it will take a huge amount of aid to restore the status quo.

If Serbian forces move against Diakovica, the humanitarian and political consequences in Kosovo will be far graver than anything we have seen. jakovica has a population of about 50,000, now swollen with perhaps 25,000 refugees from outlying areas. One complication is the argument International Herald Tribune.

that even if NATO is willing to intervene, the UN Security Council must approve any use of force. But this ould not prevent action to stop genocide or crimes against humanity.

Meanwhile, in Albania, a powerful story is unfolding. The Albanian townspeople of the Tropoje district bordering Kosovo are lining up to volunteer to care for refugee families. There are no camps, because the refugees are housed in local homes, often outnumbering their host families. This show of hospitality is the most remarkable we have seen in a quarter century of refugee work.

Potential damage to local markets could lead to increased tension with the refugees. But with rapid and astate international assistance, there is an opportunity to provide relief that also meets the needs of the local populace. This is not an easy challenge, espe-

cially for UN agencies whose expertise is focused on relief in traditional emergencies where refugees are in camps. The leadership of the secretary-general is vitally needed. With effective

coordination from the UN and donor

governments, Albania can become a

model for coordinated assistance. Refugees International, and Mr. Thompson, a senior associate, have just completed a mission in Albania. They contributed this comment to the

Then came the little cringe Clinton received for his trip.

Clinton Merely Cringed When China Banned Reporters

ONDON - President Bill Clinton is being accompanwhile he is in China, but the force has already suffered five casualties. Two are from Hong Kong, three from the United States. All five were denied

visas by Beijing. The president's objection to the banning of the American reporters is a small example of his posturing on China.

The five banned reporters represent media hated by the Chinese. One is Apple Daily,

PARIS — Since President Jacques Chirac's calamit-

ously miscalculated dissolu-

tion of a cooservative-dom-

inated government little more

than a year ago, putting the left

into unexpected power, the French right has exploded.

congeries of factions. Parties

have split or been renamed,

but they no longer consistent-

ly connect to the real divisions

There is, for example, a na-

tionalist and popular right, but one can no longer speak se-riously of a Gaullist party. These nationalists criticize

federalist programs for Europe and believe in a "Europe of Nations." They

also are firmly commined to

the egalitarian values of the

French Repoblic and oppose

discrimination of immigrants.

traditionalist right, issued from

older monarchist and Pétainist

circles, and from Catholic

groups hostile to the modern

church's liberal social ideas

and new liturgy. It is a "France-

first" right, fearful of the con-

There is a center-right,

whose roots are in the Chris-

tian Democratic and Radical

parties of the Fourth Republic

(the latter grouping a variety of

regional, pro-business, and

small-government interests). It

is pro-European, but tends to

be ideologically heterodox on

social and immigration issues.

right, which would send im-

migrants home, even those

who are in the country legally,

and possibly even those already naturalized. Its sup-

port comes largely from the

ordinary working people most

affected by the presence and

Finally, there is the racist

sequences of immigration.

That sets them off from the

of conservative opinion.

It is today is no more than a

By Jonathan Mirsky ied by a small army of reporters Hong Kong's second-biggest by China to accompany the government that Mr. Clinton accompanied by reporters, al-

paper, whose owner, Jimmy Lai, insulted Li Peng, then the prime minister, in an editorial. The other is Window, a small magazine that frequently prints articles critical of China.

The three U.S.-hased reporters represent Radio Free Asia, a government-financed operation that Mr. Clinton praised recently as an example of his 'I'm not soft on China" policy. All three had been given visas

Coaxing Out Europe's Pariahs

By William Pfaff

competition of immigrants.

The crucial element in its

leadership today is radical

rather than populist and re-

actionary (as in the past, under

are avowedly pagan and hold that "Aryan" Europeans are

threatened by Jews, Arabs, and

Africans. They can correctly

stream parties of both right

and left refused to have any-

thing to do with the National

Front. They treated the party

- and by implication its

politicians of the center-right

went into coalitions with the

National Front in regional

councils to keep the Socialists

out of power. This has been

interpreted as a success for the

National Front's effort to es-

cape from the political margin.

matic initiative by a former Gaullist prime minister and presidential candidate, Edou-

ard Balladur. He has proposed

a national commission to ex-

amine the question of "nation-

al preference." It would hear

the arguments of representa-

tives of the National Front, to-

Mr. Balladur concedes that

France's mainstream parties

are unlikely to agree to this,

but he argues that it deserves

to be done at a European level,

since the European Union is

He therefore proposes to

moving toward a common

compare the status of foreign-

ers throughout the EU and

propose common solutions.

policy on immigration.

gether with everyone cise.

Now there has been a dra-

This spring, however, some

Until this year, the main-

be described as fascists.

voters — as pariahs.

Many of these new leaders

Jean-Marie Le Pen).

president; these were withdrawn last week.

Mr. Clinton immediately condemned the withdrawal as 'highly objectionable.' 'We will protest it," he ad-

ded. "We hope they will reconsider it.' "How much credit China would have received." Mr.

Clinton observed, had it granted visas "to a more diverse group of journalists.

National preference means

reserving certain jobs, social

benefits, and legal rights to cit-

izens of the nation, to the dis-

advantage of foreign residents

idence and work privileges in

the country, who pay taxes and

social charges, as do citizens.

some way. Even France re-

serves government posts for its

citizens. Polls find that 69 per-

cent of the French agree with

that, but that 68 percent believe

there should be no other job

discrimination between French

nationals and legal immigrants

and that 67 percent oppose

sending unemployed legal im-migrants back to their coun-

tries. But 52 percent are against

a debate on national prefer-

ence, no doubt apprehensive

National Front voters who are

not racists to come out of the

pariah status that has been im-

posed on them. The effect of this

could be to split the National

Front, isolate its fascists, and

recuperate for the democratic

the right, Mr. Balladur is bid-

ding to transcend the immi-

gration issue by raising it to a

oonpartisan and international

level as a way to realign the

French right along a path that

divides conservative but

democratic voters from those

who oppose the republic and

It is an audacious step, and

possibly more dangerous than

he realizes. But it is the most

interesting development in French, and possibly in Euro-

pean, polities in many months.

International Herald Techune.

Los Angeles Times Syndicite.

its egalitarian values.

In the present disarray of

right a part of its electorate.

about possible consequences. By legitimating such a dis-cussion, Mr. Balladur is inviting

Every country does this in

- even those with legal res-

does not mean what be says. The White House advised the banned trio not to board the presidential flight to China. What else could the president have done? Surely he cannot

force the Chinese to give visas to foreigners. And he could hardly have canceled the trip. Here is what he could have done; it has been done before: In September 1991, Prime Minister John Major went to

China to sign a "memorandum of understanding" about the construction of the new Hong Kong airport. This was a very sensitive subject. In 1989, the governor of Hong Kong, Sir David Wilson.

announced that a new airport would be huilt to restore morale in Hong Kong after the shock of the Tiananmen killings. Beijing reacted angrily, insisting that the new airport rep-

resented Western intrusion into Chinese sovereignty. It was only when Mr. Major agreed to go to Beijing to sign the memor-andum, a task normally reserved for minor officials, that Beijing agreed to reconsider. This put Mr. Major in an em-

harrassing corner: He was about to become the first Western leader to visit Beijing since the brutal suppression of the prodemocracy movement in Tiananmen Square two years earlier, and he endured much the same criticism that Mr.

that always assures the Chinese Mr. Major, too, was to be though oothing like the hoard that attend presidential journeys. I was then The Observer's China correspondent and was invited to fly on the prime minister's plane.

When the Chinese saw the list of journalists, they said f would not be given a visa. For years I had been writing articles they disliked and had also gone repeatedly to Tibet, which especially irked them. Two of their diplomats complained to the Foreign Office. The reply was simple: It is

China's responsibility to issue visas, but the prime minister had approved me for his flight. I would therefore fly to Beijing. When I arrived, it was up to China to decide whether I would be permitted to leave the aircraft and accompany Mr. Major. This was especially notable because The Observer had never missed a chance to attack the Tory government for being soft on China.

The Chinese gave me a visa: What a difference between John Major's robust "This reporter flies with me," and Mr Clinton's "highly objection-

The writer, a former China correspondent of The Observer and East Asia editor of The Times of London, contributed this comment to the International Herald Tribune

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: Raid on Spain WASHINGTON - The most

important development in the war came to-day [June 27]. It consisted in the announcement hy the Navy Department that a squadron of formidable fighting vessels would be sent across the Atlantic and carry the conflict home to Spain. The President's idea is that so long as the Spanish people believe that the Americans cannot or will not fight, so long as they are fed on news of Spanish victories in Cuba, a movement in the direction of peace will have no chance in Spain.

1923: Royalist Jailed

PARIS - Mr. Charles Maurras, leader of the "Camelots du Roy," which has taken to Fascist methods in its campaign against radical elements in France, was sentenced to four months' imprisonment. The events which

led to the conviction occurred when two Deputies and a former Deputy were attacked on their way to a meeting called to protest against Fascist methods of violence in France, Mr. Maurras was charged because it was he who had given out instructions to use violent means to prevent the attacked speakers from going to their meetings.

1948: Berlin Airlift BERLIN - The British, with

American support, demanded that the Russians lift the blockade that threatens hunger for the German population in the western sectors of Berlin. Plans were completed for the manguration of an unexpectedly extensive air supply service to bring food to Germans in Berlin. Although the air supply will play an important role, the air pipeline cannot pos-sibly pruvide enough food and coal for 2,200,000 Germans in the western sectors.

مكذا من المدمل

CADY APPLY SERVE 4 54700 ESC and the in ORCHIDS

LORDA - EUROPE HE COLL THE STATE OF THE STATE HIG

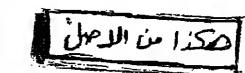
Actionist English TE: 1000M ++ 44 (5) Marie &

The Park SOLUTION SERVICES

Man Hall Will St. St. - SHITEH MESSMANY-BELLAVA

ESPEC * 20 - 10 EM

THE REAL PROPERTY.



rce is Needed

. ...

A The Late of the

化分配医数

: : : - -

100

All our professions of region to permit another Rossion to be multiple another Rossion to be multiple and all our classics. again to permit another Bossia of Rwanda, all our clams of the recent partial model of the recent partial model of the new laws another killing field In 1961. President François la constitución de la c and constantance the security of trace to the security of trace to the security of the securit

in the other side liber

Control of the second of the s

nencen: was adapted for o Save Kosovan

or related and Larry Thompson NATO is willing with

of force by 201 Ection to sup-Albania a poac Tropor de iciuger las in locality in the state of th and market market - Fre wash - - I to load age 114 300 xe

.... 100ml 2m.

2 - 2 27 67

Banned Reports

. .

to the y

. : 11 1. 22

to Charles h

12 1.-15 - 5

4.1473.

1912 <u>- 1914 -</u> Topic St

14.12 APT

and the same

Account

that is 00 miles

The Section

les the fill South The tibe

2.3

100

.....

120 1

 $(\chi_{\mathcal{P}})^{-1}$

1E IR

16.2 5.25

التعميرين

1

× 35

. "

11 32

•

HALL PARTIES AND

30.00

...

.71

52.02 50

. . Tr 200424 Programme to the Table Table

1.02 32 0

- Y:: <u>- --</u>

777

40 - 10 - 20 May

- ----

in reduce GENERAL All Allenga Company V भूति क्षेत्र स्थापना Personals

> ANTON PATRAZY please contact Jackie urgently* 0468 623340

Announcements

For Berliful PHOTOGRAPHS OF YOUR WEDDING at very reasonable prices please call+41 71 277 5115 or wile PO Box 1714, 9001 St Gallen, Svitzerland

THANK YOU SACRED HEART of Joses

and St Jude for the prayers heard and help received from You. SS

FEELBAG low? Having problems? SOS: HELP crisis-line in English. From 3PM vi-11:PM, Tet Parts +33 (0)1 47 23 80 80 BEST VINTAGE POND YACHTS

Auto Rentals

Michael Young Camden Passage Lond +44 (0)171 2862225 & 0468 233633

RENT AUTO DERGI FRANCE: Weekend FF300 7 days: FF1500, Tel Paris +33 (1)1 4368 5555, Fax (0)1 4353 9528

Autos Tax Free

Escorts & Guides

DAY TAX-FREE DOOR ALL LEADING MAKES
Same day registration possible
renewable up to 5 years
We also register caus with
[expired] loreign (tax-free) plates

ICZKOVITS Allred Escher Street 10, CH-8027 Zurich Tel: 01/202 76 10. Fec. 01/202 76 30

BELGRAVIA

ORCHIDS

LONDON - EUROPE

. THE PINEST & THE MOST SINCERE

international ESC RIS.

World's too international beauties NY USA Hootes: 1-212-765-7896 OFFICE ORTIC-ESCORTS.COM

HIGH OCIETY

PARIS

+3120-5789-721 / +316-54223-124

EUROCONTACT INT'L

PARIS STOCKHOLLINGENEVA ZURECH PARIS STOCKHOLLINGENEVA ZURECH PAVIERA BRUSSELS T.ONDONYJENNA MILAN FIOME SI GERMANY & PRAGUE COPENHAGEN ATHENTOS ANGELS

Escort Sarvice Vienna ++43-1-212 0431

European JET SET . VIENNA . PARIS

PRIVERA ZURICH MUNICH LONDON ROME MILAN SSOON & Travel Service

Vierza ++43-1-315 40 +4 Credit Cests

HEDTS HIGH SOCIETY VENIA PARK

RIVERA ZURCH GENPAUNCHEN Internetional Escot & Travel Service Vigora +443/1535 41 04 all grede cards

· · · DISTINCTION · · ·

London Paris Cole D'Azur Switzerland Brussels Escott Service, Dinner Dates &

Travels. Call. +44 (0)7775 62 63 57

18 - 30+ INTERNATIONAL BEAUTIFUL & ELEGANT SECRETARIES, AIR HOSTESSES & Worldwide Executive Escort Service MODELS + AVAILABLE AS Elegant High Clast Models Tel: ++44 (3) 7000 444475 View Model Gallery MFO at: web@b-s.nat YOUR COMPANION 24 HOURS
Escort Agency Credit Cards Wescome TEL: LONDON ++ 44 (0)

0171 589 5237

Experience the energy that makes MODEL LINK a World Leader

musual street a revine Lecture in its unique international eacon service. With the most striking caywalls and lashion models our outstanding service is unprecedented. Here a private sufficient and lashing and lashing services in unprecedented. tel meeting to view our fine Portiolio workhande

Tel/Fax ++44 (0) 7000 822 822

SWITZERLAND-GERMANY-BELGINA ++31-20-427 28 27 Zurich-Geneva-Basel-Berne-Frankfurt-Winstederr-Cologne-Bono-Dusseklart-Humbch-Hamburg-Berfin-Brussels-Antwerp + Linesbourg "TRAVEL SERVICE WORLDWIDE LONDON: (0)171-978 6606 COSMOS Escott Agency - Credit Cards

THE INTERMARKET

... to THE BEST in international society

trusting this intensive experience, our unsurpossed niveau & MY EXCLUSIVELY PERSONAL GUIDANCE

Over 20 years a STUNNING SUPERMODEL.

Over 20 years a STURNING SUPERMODEL...

SIMPLY UNDESCRIBABLY BEAUTIFUL! Her absolutely perfect appearance would hance "BAY WATCH" any time! She has this divine dessized moderna face which remains throughout all times in history the ideal in beauty! A successful German supervention, 40/57", the "blood" by whom you will be totally thrilled, unstappobly bewildered & definitely instantly "thrown out of your ways"! This breatholding thoroughbred woman has made & continues to make her career inspite of, or because of the inspiration of a long, excellent & happy, family life, which she seals to share again with a wonderful man who recognizes her exceptional value — hiner glamour, as it radiales out of this endless womehearted woman, makes beauty parted & worthwhile...! Impressed by best traditional descent & circles she embodies exactly what every man considers as DREAMWIFE — ONLY FOR MARRIAGE! I will be deligited to receive your act!

MEETING

POINT

Meeting Point

Switzerland

BEAUTEPIAL BLOND, English Lady, 44, Intelligent, Elegem, with zest and fur. Seeks position as PAtravel companion for International businessman. Tel. UK:

GSTAAD-SAANEN, 1 bedroom apart-ment in hybical Berner Obertand chalet, About 65 sp.m., betcomy, Febulous view. Gerage, swimming poul. SFr 330,000. Please let Mrs Dick ++ 41 33 747 4516

HEAR OPERA beensitul duplex 130 sopn, 2 bedrooms, 2 bedrs, modern kilichen, Air consistenced, 2677 to 1.9. Short term possible, Tell'Euc +33 (0)+42 96 18,61.

GENEVA, LUXURY FURNISHED apart-

+41 22 735 6320 Fax +41 22 736 2671

General Positions Available

TRAVEL COMPANION / ASSISTANT

wealthy outrepreneur, 47, seeks bright absactive, enjoyable single lady, 23-37, to assist & mjoy 1 year (\$\$120,000 world bour + hriemacy, All superiess + salary, Tel 433,686209496 or 431 622035062

WANTED Company abroad looking for top phone selection. Good closers need-ad. High SUS commission. All expenses paid. Tel Careata (416) 959-1642.

INE NUMERICAN
UNICONVENTIONAL TRANSER
who predicted in 1983 a crash in the art
market, in August 1990 the Guif wer, di-saster for German reunification, the peu-

perization of Europe, August 1992 deval-uation of the Pound, November 1993 rise

testion to the routin, woverhour issue may in interest rates for 1994. December 1995 unprocedented heights in the works stock markets, strong rise in the coller plus an areas race in Asia - is back. Any Brandelly visible position will be considered. Fax+41 1 2518172.

EMBLISH SPEAKING FRENCH MAN, 31, seeks job as chauffeur, PA, meltre d, thel. Working experience in Morie Carlo Riviera & London. Good references. Wij-ing to move. Tel +33 (0)6 61 61 43 97.

General Positions Wanted

Real Estate

Parls Area Furnished

for Rent

Switzerland

Employment

WORLDWIDE ELITE gabriele thiers-bense MARRIAGE MEDIATION

A STATE

11 11 11

Exclusively for you...

Personally since 1975

Tel: +49 - 89 - 649-2205

Fax: +49 - 89 - 649-2224

Daily 11-19 hrs. • Germany • 82031 Munich-Grünwald • Otto-Heilmann - Str. 5 • By appointment

Represented in Paris Berlin the USA Singapore Melbourne

Claraction Principles Ltd. For 25 yrs, the favorite partnership agency of the world's most select circles. We have established contacts amongst the most distinguished clienteles society's best educated and cultured personalities, the business elite and international VIPs.

A Perfect Gentleman of international Standing. Successful Enterpresent and Topman in international Standing. Successful Enterpresent and Topman in international Standing. Successful Enterpresent and Topman in international standing mass with the necessary sensitiveness and tempes which earned him much recognition in protessional file – due to his sensitive standing of the sensitive command the much recognition in protessional file – due to his society and politically committed, from an authority residence in the life is a round the world (27d residence in the USA) where he combines business with pleasure – attends in some of the party and has staying big events of insensitional, social file... what he misses is the wornen at his side – a wornen with a perfect cling, gell, stding, g

1 +44 171 420 0348

FRIENDSHIPS

Friendships

ASIAN LADIES seek meniage. Details: ICE GREAKERS, 545 Oction Rd, 10-03 For East Shopping Ctr, Singapore 238882 Tel: 65-732 8745, For 65-237

ATTRACTIVE, cultured budy, 38, 2 chidren, seeks relegionship with sincere, successful man, 4065. Serious callers only. Tet: 33 (0)1 40 54 92 11

ATTRACTIVE PROFESSIONAL bland le-male steks cosmopolikin gentileran of wid and stature in his 40s to share gas-tronomic expensiones, flori kin in cultural pursults and enjoy the global explication of like. Wine to Box 628, NTT, 63 Long Acre, Landon WCZE SJH.

ATTRACTIVE SWISS LADY, malifingual, degreed, workf-class, longs for sophisticated gendeman (60-yila0cm with distinct guished Bio-style Planter reply to Box 643, IHT, 92521 Newly Cadex, France

CHARMING FRENCH WOMAN, 38 yrs. CHARDING FRENCH WOMAN, 39 yrs, mingual, exotile, qualities of exceptional rafe & mother, soeks man to accomplish her like. App. 3850, histograf Franch and tasin, or French / English, has insonatist values, engos ansac culture and itara-hire. sportuel, sense of humour & good professional postuon necessary. Leave message. Tel. 33 (0)1 47313501

FRENCH SINGLE LADIES seek sincere triendships with anglaphone men. ABAC Tel +33 (0) 1 4272 0634 or 4570 9094

HANDSONE PAIGSTANE BORN. Sented in USA. Charming personality & sense of humor interest in fashion design. Wishes to meet marnings minded young woman with good heart and from well educated family. Please write with photo: Reshid, 3003 Eastern Southeast, Apl. 303E, Grand Rapids, trichigan 49508 USA.

NY JEWISH businessman, expatriate 48, seeks female travel companion/friend 30-40 for discreet weekend liaisons in European claes, chutzpsh@ws.nl.

PACEPIST seeks wealthy friends in order to found an insulate for peece (man, animals), health & success in Rel Write to H. Egerter, Just-Kerner-Str 13, 0-71229 Leonberg, Germany REPLAY European Introduction Bureau Tell +34 915 756 946 armalt

PARIS HIGH LEVEL BUSINESSILAN French / Jewish, 50, sporty, refined with sense of humor wishes to meet stan very good booking, educated, cultured young lady for love, trust and mutual respect. Send photo & letter to IHT, Box 623, 92 521 Neutly Cedex, Frence.

RUSSIAN LADIES ward to meet you'll Details: Euro365, P.O. Box 888851, Allanta, GA 30356 USA. Fax: 770-395-7383, www.euroladies.com

25 YRS OCEANWIDE MOTORS

Education

Since 1975 we ARRANGE MARRIAGES...

Meaningful, principally critical, esteemed & admovledged Elite

EXPRESS "FOREVER" (quote) THER GRATITUDE!

Renowned ARISTOCRAT & his MAGNIFICENT CASTLE

Renowned ARISTOCRAT & his MAGNIFICENT CASTLE
Welcome on adequate "mistress". He is mid 50/6'4" tall and slim, an
impressive, handsome and very distinguished MEMBER OF ONE OF THE
HISTORICALLY RENOWNED, ELDEST EUROPEAN NOSLE FAMILIES,
residing in his marvellous family estate (a castle made for dreams and
hoppiness...), an inviting jewel in the midst of a fairytale surrounding, forests,
vost lands, lakes and not hunting grounds—This remarkable suprame person
represents culture and dignity in perfection, locused on global business,
speaking four languages, graduated from Elite Universities, being a
possionate an-expert and hunter, a classical music-connoisseur and the
brilliant, profound educated conversationalist who values his noble tradition
by maintaining cultural property and retined litestyle at its best as an
ARISTOCRATIC OBLIGATION—FOR MARRIAGE ONLY! I will be delighted
to receive your call or application!

PARIS, very beautiful brunette, 47 years old, sensitator, calibrated, refined, single, Christian, with seducine personality. Enjoys listening to Setution, Westfi, visiting trusterums, travel, and the coons. Would like to built out of the ordinary life with tender, authentic gentierran. MADAME DESACHY. Tet 33(0) 43 12 33 12

YOUNG BLONIO Lady in London seeking generous gentleman for fun times. Angle: 0836 239 685

Does that appeal to you? Please call us for an appointment daily from 3 to 7 p.m., also Sat/Sun Fax (0049) 89-29168079

Head offices - Europe, Germany: Munich, 1(0049) 89-29165427 or Frankfurt, 1(0049) 69-24277154 or Düsseldorf, 1(0049) 211-329357 or Berlin , 1(0049) 30-88550531

PRETTY SCANDINAVIAM, blend, tall, sim ledy (45), luxury-loving, tady-fike with charm and cheanater, seeks, well-off gentlemen 55-65 for triendship! marriage. Catl 441 79 432 6516 or teply with photo to IHT, Box 841, \$2521 NeuRy codex,

YOUNG LADIES WORLDWIDE seek

TELECOMMUNICATIONS AVAILABLE ALL SUMMER - Claude Humbert, French teacher for toraign adults is toughing your cells; Paris +33 (0)1 4581 2687, leave message 7 shuent

Colleges & Universities

LASALLE UNIVERSITY Off-Compus Degrees
Bachelors * Mostors * Doctorale Credit for Work & Life Experient 1-504-624-2958, Dept. 958 620 Lotus Dr. North embeville, LA 70471 USA LASALLE Education Corporation

GET A COLLEGE DEGREE In 21 DAYS awaistie, tunsurpt, diplome, Yes I's real, legal, quentried and accredited. COLUMBEA STATE LINIVERSITY 1-504-455-1409 24 bours

EARN UNIVERSITY degrees utilizing mork, file 8 scatterior corporation. For weakston & Information toward resume to: Pacific Southern University, \$55t W. Pico Bird., Dept. 121 Los Angeles, CA 90035 USA

Business Opportunities

BECOME A PRINCE/PRINCESS. ADquire a farmus German adatoratic title by adoption or mantage. Answer per fac. ++ 49 (0) 89-291755.

OFFSHORE COMPANES. For tree bro-chure or advice Tet London 44 151 741 1224 Fext: 44 181 748 6558/6338 elon muk

FOR SALE . TWENTY YEAR OLD SWISS asset maneguetrotes, Shall com-pany, without debt. Cuick sale US\$ 30,000,- Tel. & Fax +31 20 427 4513

"HARMONY" MADRID BARCELONA" USBCA: The most exclusive escort ser-vice. Tet 908 818984 or 919 837332

BHDIAM " ASIAM " ORFENTAL ESCOT Service, Bernaifid, Kiendly & discreel. Credit Cards, LONDON 07010 708614

PRIVATE ESCORT Service. Ladles from USA, Carada 4. Europe available for towel. Write to Nina or Sue at E-Z Meil, 217 East 85th Street, Soile 203, MY, NY 10028 USA. ITALY PARIS COTE D'AZLIR

"GUYS & DOLL'S ESCORT SERVICE" MILANTROMETORINO ATHENS PARIS BRUSSELS GERMANY SWITZERLAND COTE D'AZUR'S CANDINAVIA SPAIN Tet +39 (0) 335 619 0438 Credit Cards

GENEVA PRETTY WOMAN "ZURICH - CREDIT CARDS

LAURENS FIREPEAN FLEGANCE EScort Service. Full Equired & model types. Also stunning black beauties. Overnight bookings welcome. Tel 212-207-4959.

EXECUTIVE VIP ESCORT Service. A wide selection of interretional Beautiful VP Lades Ollering a 24th Full Service. Tel: 0171 259 5775

Amsterdam JAN BEK ESCORTS. For he and she. Escort service since 1967. Tet +318020 623 1594420 3927 BARCELONA-MADRO-ANDALLISE A MALLORCA. NINA First Class Escot Service. Tat 929 70 86 73

PREFILIN - FRANKFURT - ZUPACH "CARISMA ESCORT AGENCY" Tel: 0041-848 80 70 77 - Credit Carls

CHRISTINE ESCORT SERVICE Genera, (075) 331 1138 ++34 909 155081 ESCORT EDUCATED Service MELANO . Rome - Monte Carlo, Tel: Princess

SELECTIVE ESCORT SERVICE LONDON only 0171 252 2886 All cards

kallback

New Lower Ratesl



· NO Deposit NO Set Up Fees

 ND Minimums Instant Activation Fiber-Optic Networks

Stx-Second Billing Tel: 1.206.599.1991

U.S.: 1.800.965.1626 Fax; 1.206.599.1981 Email: Info@kallback.com www.kaliback.com

Agents Wanted

Business Services

YOUR OFFICE IN LONDON Bond Street - Mail, Phone, Fex, Telex Tet 44 171 290 3000 Fex 171 489 7517

Business Travel

tat/Business Class Frequent Travelors Worthside. Up to 50% off. No coupons, no restrictions. Imperial Canada Tel: 1-514-34)-7227 Fax: 1-514-341-7998. e-mail: fly @ Imperialconsultants.com

Paris and Suburbs

PERSONAL ASSISTANT/Travel Com-person for wealthy travel executive. Multi lingual, excellent communications skills. Tel: 819-338-9764 USA.

DINING OUT

PARIS Ist LE BALBOQUET CARR'S

AU DIABLE DES LOMBARDS

At LES HALLES, "committee style"
Everydary noar-stop from 8 a.m. to 1 p.m.
Brunch from 10 a.m. to 5 p.m.
64 pay das Josebards 01 42 33 81 84

FOC LY

利 The most paperier Recognizated by farmer grain counic grides. New dishes & means for lauds Private dising means. 19, no Chedr-Geolie, Newly, T 01.46.24-43.26. A 71, us. Salina Peris 7th. T 01.47,83.27,12.

A just temple since 1947 At the heart of Saint-Germain-de

for dimer or a drink.

Gostonomical mean of a remountable price.

13, rue Saint-Beacit. T. 01 45,48.81.84.

PARES 9th

FRIDAYS

The American Bistr

Fun People

Great Food and Coddoils

2. Ild Montmorter Tel.: 01 47 70 27 20

NELLLY

KERVANSARAY

EDITH BRIGITTA

--ALCHING THE RIGHT PARTNERS IS MY BUSINESS. PERSONAL INDIVIDUAL ASSISTANCE IS MY SURVICE CONFIDENCE IS MY MIGHEST PRIORITY.

FRANKFURT HEAD OFFICE: DALY 3 - 7 P.K. 60316 FRANKFURT, ELKENBACHSTR. 51, GERMANY TEL.: +49-69-43 1979, FAX: +49-69-43 20 66 LONDON

PARIS **NEW YORK**

MAYFAIR OFFICE: NON - FRI 9 AM - 6 PM LONDON WIX SFD, MAYFAIR, STRATTON STREET 10 TEL: +44-171-5 46 85 43, FAX: +44-171-5 46 85 70 PARIS OFFICE: MON-FRIS AM. - 6 PM. PARIS 75008, 72 RUE DE FAUBOURG-ST-HONORÉ TEL.: +33-1-40 07 86 87, FAX: +33-1-40 07 80 40 U.S.A. OFFICE: NON - FRI 9 A.H. - 4 PM. NEW YORK, NY 10019, 730 FITH AVENUE, 9TH FLOOR TEL.: (1) 212-333-87 85, FAX: (1) 212-333-87 20

EXCLUSIVE

PERSONAL APPOINTMENTS ARE POSSIBLE IN: INDIVIDUAL ROME - GENEVA - VIENNA - HIAMI CONFIDENTIAL LOS ANGELES - SINGAPORE - HONG-KONG

RAVISHING YOUNG EUROPEAN LADY...

SHART, BRIGHT, ENCHANTING: LATE 20:3/1.72 - BEAUTIFUL LONG BLOND HARR, BLUE EYES, A STUNDING PERSONALITY, YERY ELEGANT AND GRACTOUS WITH A GREAT BACKGROUND - SHE HAS DEGREES FROM THE U.S. - EUROPEAN UNIVERSITIES SHE IS VERY SUCCESSFUL. IN HER INTERNATIONAL CAREER A CHARMING AND INDEPENDANT WOMAN, YERY COMMITTED TO BEAUTY. ART AND HUMANITY A TENDER AND CARRIED PERSON WITH A LOT OF MEDITERRANEAN TEMPERAMENT LOVING SPORT ACTIVITIES AND FINE ARTS, SHE ENJOYS TRAVELLING AND DISCOVERING SHE IS VERY OPEN TO EVERYTHING, NEW AND INTERESTING SHE WOULD LOVE TO MEET A SUTTABLE MAN - UNIQUE IN HIS OWN RIGHT.

MEET A SUTTABLE MAN - UNIQUE IN HIS OWN RIGHT.

ONE OF THE FEW

LEADING INDUSTRIALISTS IN THE WORLD...
YET VERY SIMPLE AND TRUE A VERY ATTRACTIVE AND SLEGANT MAN
WITH A GENEROUS AND CHALLENGING PERSONALITY. VERY MASCULINE AND
BRIGHT, BUT ALSD TEMBER AND ENDERRING, A REAL GENTLEMAN WITH
EXCEPTIONAL SKILLS, VERY ERUDITE AND CULTIVATED. A WORLDWIDE
RENOWN AND SUCCESSFUL ENTERPRENEUR IN HIS MIDDLE AGEN. 22 WITH
MAGICAL BACKGROUND. WONDERFIL RESIDENCES IN EUROPE AND THE U.S.
HE IS UTTERLY REFINED AND LOVES TO DEDICATE HIS FREE MOMENTS TO
SPORT ACTIVITIES. CDLLECTING ARTS AND GIVES AFFECTION TO AN
OUTSTANDENGLADY - SHE WOULD BE VERY HAPPY AT HIS SIDE.

PLEASE CALL

SUCCESS, WEALTH, POWER...

It's unlikely that, when Edward VIII and Wallis Simpson were introduced by a mutual friend, they realised their lives would

ange forever, after all, there were empires to run. And what Edward and Wallis knew then, you know now - for successful, wealthy, powerful men and women, love is not easy to find. I know this too. I also know that, without their wise friend, the meeting which changed the lives of the Duke and Duchess of Windsor may never have

happened. Every successful person needs such a friend. If you are at the peak of your profession and are too busy to meet that special someone, let me be such a friend to you; I will do my utmost to introduce you to your Ideal partner. For an introduction that will change your life, contact me on +33 (0)450 427 321 OF +(0)33 608 461 110

(mobile). For marriage only



PARTNER SEARCH

LONDON office: 1 Northumbertand Avenue, Trafalgar Square, London tel. ++ 44-171 B72 5427, fax ++ 44 171 753 2848 PARS office: 12:14 Rond point des Champs Elysées, Paris tel. 01 53 53 16 10, fax 01 53 53 14 00 GENEVA office: Rue du Rhône 14, Geneva tel. ++ 41 22 819 18 13, fax ++ 41 22 819 19 09

ISLE DF MAN headoffice: 56 Bucks Road, Douglas, Isle of Man, tel. +44 (0)1624 615 442, fax +44 (0)1624 615 442 (USA on

NANNIES/DOMESTICS 4

SERENA LE MAISTRE & ASSOCIATES We are a well-established recruitment consultancy specialising in placing highly qualified staff in private and corporate residences worldwide. All our staff have a minimum of 3 years experience in private service, excellent references and are personally interviewed and selected with the unnost care.

• COUPLES • BUTLERS • ESTATE MANAGERS • NANNIES HOUSEKEEPERS . CHEFS . CHAUFFEURS/BODYGUARDS . P. Ter. 00-44-171-730-9991 - Fax: 00-44-171-730-9777 to LowerBelgrave Street, Belgravia, London SWTW-Of J E-mad: headoffice a seconal charistic demon.co.uk

MONROE NANNIES COCKER DETERMATIONALLY FOR THE VERY BEST NAKHIESMATERNITY NURSES GOVERNESSES/MOTHER'S HELPS At spall are hely experienced in the care of infants & young children & we provide a very professional & caring service. TEL: 144 1711 409 0010 FAX: 144 1711 629 4165 34 BROOK STREET, MAYFAIR, LONDON, WIL

WESTMINSTER Specialists in the retraitment of launies - Governesses - Mothers Helpo Maternity Nurses - Houselcoeps We provide an efficient and professional service worldwide. Fel.: + 44 (0) 1275 \$76662 Fee: + 44 (0) 1275 348152 E-mail: gil@westminstormannies

Ginderella

First Class agency est. 1982
Specialists in placements of:
Names - Mother's Help - Materiary
Nurses - Auffren's Help - Materiary
Nurses - Auffren's Governess
All staff interviewed - qualifications
and references verified.
Tet 44 171,499 3034 foor 44 171,499 3035
Email Names Cinteretic.o.d.

Nannies & Nurses WE SPECIALISE IN THE PLACEMENT OF EXPERIENCED & QUALIFIED * NANNIES * GOVERNESSES * BABY MATERNITY NUESES EXCELLENT CARE ASSURED PLEASE TEL: 44 171 589 5789 OR FAX: 44 171 838 0740

20 BEALICHAMP PLACE, LONDON, 5W3 ITC CONSULTANT Westbilds placement with European perchanate Governess Tuttor Bodyguards Butter Master Chef Nanny, etc. No registration les. Esablished since 1982 Tel: +33 (0)4 93 90 90 91 Facc: +33(0)4 93 90 55 81

72, ig St-Honoré, 75008 PARIS
____ Subsidiary in CANINES ____

AMERICAN NAMMES governesses and mother's helpers for select international & US lamities.

Domestic Positions Available DOMESTIC STAFF-Highest caffore expenenced Couples, Bullethfouse Metagges, Namiles, Chals, Housekeepers, & P.A's-all scrupulously veited. PLITCHINSON's Employment Agency 44 (B)171 581 0010 Sever International of Scientification of Longith-speaking, licensed drivers, college educated. Child care expents to US media. Mrs. Williams (Smith College, B.C. Law), President of I Love My Namy, Inc. Tel USA: 960-243-2222, FAX USA: 960-243-2222, MSD: Participations control of the property of the pr WEB: www.ibverrynanry.com EMAIL: ibverrynan@aol.com

Nannies/Domestics

Herald Eribune

THE WURLD'S DAILY NEWSPAPER

PLANNING TO RUN A CLASSIFIED AD? Place your Ad quickly and easily, contact your nearest IHT office or representative with your text. You will be informed of the cost immediately, and once payment is made your ad will appear within 48 hours. All major Credit Cards Accepted.

FRANCE (HC): Ports, Tel.: (01) 41 43 93 85, Fac (01) 41 43 93 70. Empit Classified Bibliogra GERMANY, AUSTRIA & CENTRAL

BUROPE: Frankfurt Tel.: (069) 9712500. Frac: (069) 97125020. I INSTED KINGDOM: London

Fac (0171) 420 0338

EUROPE SWITZERIAND: Auly Tel.; (021) 728 30 21. Fox: (021) 728 30 91. NORTH AMERICA

ASIA/PACIFIC HONG KONG:

AMSTERDAM BERNADETTE 4: Escori Service & Dinner Dates Tet: 631 63 36 or 631 06 43.

workwide supply of tax-free cars AUDI Mercedes, BNAW, Poruche, Call Germeny +49-211-44938310, fax 49-211-44 938322 ATK WORLDWIDE TAX FREE CARSI Export new and used LHO / RHO cars. Territodisi 40, 2830 Anthresp Belgium, Phone: +32.3 645 50.02, Fax +32.3.645.71.09. Since 1956 E-mail atkinetgium@skynet.be

Boats/Yachts

BOAT, FOB SALE: mishors christrat, and process of the Evinade customets, good condition; beness price; FF20,000; months place 3X10m in Port Bennieu ser mer, 15 mins from Nov & Monso.

Legal Services

Autos Tax Free

Health/Medical Services

HOTELHOLGE VISITS by qualified Thes-apics for Aromatherapy, Stilaticu, took reflexibility sessions, Call for appoint-ments Tel +33(0)1 42 26 70 46

Auto Shipping

SAVE ON CAR SHIPPING. AMESCO, Kribbestr 2, Antwerp Belgium. To/From US, Atrica. Regular Ro-Ro saling. Free

World Cup Tickets

ALL WORLD CUP TICKETS WANTED. including finels. Best prices paid. Engl appliant. Tel/Fax: +44 171 930 4538

DIVORCE 1-DAT CERTIFIED Call or Fax (509) 922-3615. Write: 16787 Beach Bird, 4137, Hundington Beach, CA 92848 USA e-mail. divorce Cappyriol.com

DIVORCE IN 1 DAY, No travel White. Box 377, Sudbury, MA 01776 USA. Tek 978443-8387, Fax. 8781443-0183.

WORLD CUP TICKETS FOR SALE, Quarter and Semigrals: Callin Monway Tel: (47) 63676366 or (47)91148520

RISH OFFSHORE COMPANIES \$145 Contact hish Incorporations LM. Fact +359-51-385921 E-Mail: Instinc@folio

PARIS

Genera EscoriAgency ++41 79 6377984

BEAUTY INTERNATIONAL New 24hr Workshide Second Service Stunning, Articulate, Elegant Ladier Tel: 07071 225009 Advance bookings

HAGH LIFE " VIENNA" 21 Inst. Most exclusive escort service VIENNA ++43-1-3675890 al Gradi Cardo

Escori Service, beautiful, worthwide Tet 0029 - (0)3474904651 (24/24)

JASMAPS ESCORT SERVICE LONDON 0171 335 0584 CREDIT CAPOS ACCEPTED RED APPLE ESCORTS - New Agency

Top Girs 0171 288 1505 MONOPOL FRANKFURT THE LEADING ESCORT SERVICE OFFICE NUMBER 068 / 955 20 774

" HADRED GLANCIER " TOP CLASS Escort Service. Brotish Before midnight. Tet: 34-913 738 638 "HALAGA NARBELLA FRANKFURT" QUOS VERDE ESCORT AGENCY

Officine +49 (0) 177-55 88 989

NATHALLE CHARMING and very Friendly Beautiful Brunstle, Private Escori Service, London Tet 0411 338 586

"PARIS " KATIA" ESCORT SERVICE

PRIME TIME ENTERPRISES
ESCOT Service in New York City 212-279-8522

Very beautiful young blands Tel: + 352 (0) 21 27 27 07

* ZURNCH * CAROLINE Escort Service Tel: 079 / 403 30 81 Serviced Offices

Capital Wented

Your Office in Germany we are 'at your service' · Complete office services at two

See Monday's Intermarket

for Recruitment, Education, Secretarial, Internet Services

To advertise contact Surah Wersho an +44 171 420 0326

A GREAT DEAL HAPPENS AT THE INTERMARKET

PRIVATE UNVESTORS werted for from-

ciel business in Germany, Absolute dis-cretion, Prof. h.c. Dr. Gunzelmenn Fax:

pressige addresses.
Fully acutoped offices for short term or long term.
Internationally balred office and professionally learned office and professionally learned at your figures. Con'do liquidy used as your corporate domistie for Germany Europe.

Your husiness operation can ideal

Since 1972. Lairco Boxiness Services Guidi Lairco-Heus am Holzheusenpark Justinienstrasse 22, 60322 Frankfurt em Main

Gentlety Tel: (89) 95515-0 Fesc (89) 595770

Real Estate for Sale

French Riviera

GRIHALD VILLAGE, 4 Inn Port Grinaud chaming house in village, fully manyat-ed, 250 sp.m., all comforts, 5 bedooms, 4 batte, jaccard, equipped liktrien, 2 ter-races, CUTSTANDING VIEW, quiet, FF4.2 ML Tel +33 (C)1 42 67 76 59

LAKE COMO, beautitul single lamily HOUSE overlooking Varenna, surrounded by meedows and soods, quiet and securied, 2500 eq.m bend. Living / clining norm with fittpleze, 3 double bechooms, 2 betterooms, large terrace, breedinteling view over centre late. Total privacy, 01-red sets. SFY 415,000 negotiable. Tet: 458 05634 6971 or Tol / Fax 498 02439 6975.

18th, BD SUCHET, elegant building, well exposed, beautiful views, 5th floor, 210 sq.m. 4 bedrooms, 2 baths, 1 makins room, celax: Essy parking, low charges, reasonably priced due to remodelling expenses. By owner FF4.5 M. Dr LESUR +33 (7)1 4551 2475 or (7)6 08 71 24 92

French/high colsion. W.E. brunch 856. Open Granyday N. M. M.S., CARES BAR S NEVER FAR 1, = Mort Thubos. No Tributes 01 42 40 50 26

RESTAURANT BAR

PARTS 6th

Yugaraj 24 You can somple the spicy, oremain tendoor distant that can becoming rege in France... "Frontrage's 97" (air conditioned) 14, rue Desphine, T. 01 43 25 44 91

LE MUNICHE in the heart of St Germain des Pris, brosserie of art dece inspiration, sea food, old style, searchest and home made fore gross, set meno 99 FF (1) 149 FF (9) ALC 250 FF. 7, no Stance, 161, +35 (5) 1 4241,1270.

Barkish A hert specialises, lebeter has; but excited naturent, 1 at from Heiderste 9. Tel. 57 25843. Air conditioned, 10th Opera. Hours J. p.m. & 6 p.m.; Long. county Stanley. Open helidays.

EUROPE

Tel.: (0171) 836 4902 Teles: 262009.

NEW YORK: fel: (212) 752-3890 fell from (900) 572-7212. Fost: (212) 755-8785

Tel. (852) 2922-1188 Teles: 61770 4-11-1X Fox: (852) 2922-1190.

The Enigma of Iran: In Search of the Cultural Melting Pot

By Souren Melikian International Herald Tribune

ARIS -- It is one of the Ancient World's great unresolved mysteries. Those who do not just see antiquities as toys to satisfy their collecting whims, but as the unwritten documents of mankind's history wondered how much more bad been lost with each of the "Luristan bronzes" that came up in a sale this week at Drouot.

Ever since the small composite fig-ures, the axes, the borse bits, the vessels and other items found their way from the West Iranian province of Lorestan (Luristan) to the Western markets through the gigantic looting that has been plaguing Iran for most of this cen-tury, speculation has raged over these strange and sometimes beautiful artifacts. Some proper excavations, mainly those of the late Belgian archaeologist Louis Vanden Berghe of Ghent, have helped narrow down questions rather than solved the enigmas.

How in the course of some 2,500 years the transition was made from a succession of unknown cultures to the final merging into mainstream Iranian art remains to be discovered.

Not one clue has turned up that might help identify those who cast the earliest "bronze" (in fact, nearly pure copper) vessels, arrowheads, axes and other objects inscribed in cuneiform writing with the names of Babylonian kings of the third millennium B.C. Sometimes explained as imports, they look different from comparable pieces from Iraq, and are more numerous. At the sale on Thursday at Drouot, conducted by Claude Boisgirard with the assistance of Anne-Marie Kevorkian, an uninscribed pickax with two stylized leopards attached to the tubular shaft reminded the viewer of the great sophistication of

these unknown bronze makers. It ended up at 138,568 francs (\$23,000).

Early in the second millennium B.C. ax heads with their shaft stylized in the form of a snarling animal on the edge of abstraction carry names written in caneiform, this time of Elamite kings. With them the Lorestan mystery deepens. Elam, a non-Semitic, non-Indo-European culture that developed in southwestern Iran, around Susa, seems to have been hugely important.

When, many centuries later, the first all-Iranian empire was founded by Cyrus the Great in 559 B.C., Elamite was retained as one of three empire languages. At Persepolis (Takht-e Jamshid to the Persian-speaking world), the shrine palace built in the sixth and fifth centuries B.C., accounts were kept in Elamite on small clay tablets. Historians now suspect that Elamite culture stretched very far to the east. It is no wonder if it extended into neighboring Lorestan, up in the northern highlands.

The precise nature of the relationship, however, escapes us. All that remains to testify to its reality are beautiful ax heads that leave behind the pieces found in Elam. One, with its blade springing out of an admirable lion's head, was sold for 25,497 francs.

THAT happened between the 19th century B.C. and the 13th century, when a unique style associating linear stylization and an irrepressible sense of fun blossomed, is anyone's guess. Two axes with hlunt spikes at the back are inscribed, one with the names of an Elamite king (Shilhak Inshushinak 1165-1151 B.C.), the other with the name of Nebuchadnazzar I of Babylon (1124-1103 B.C.). But the type is unknown to Elam and Babylon. Do such names point to political allegiance? Or,



Pickax with two stylized leopards, from middle of third millennium B.C.

bronze makers at isolating figural elements and integrating them into overall stylized lion head, out of which springs

perhaps, to commissions from the outside? No one can say.

The aptitude of the designers and ax from the 12th century B.C. could be seen, with its blade coming out of a

while on two of the spikes projecting from the back calf heads comically appear to be nibbling at the shaft.

Fun could be graceful. Whetstones were produced in vast quantities, the shaft abruptly giving rise to the elong-ated neck of a mountain goat. One of these in the sale carried an equally elongated leopard on its back, like some elegantly calligraphic parody of the an-cient Middle Eastern theme of a feline downing a homed animal. It fascinated a new buyer, who bid up to 44,342 francs

Parody pushed to extremes with more than a suggestion of the grotesque culminates in the "idols," among the most intriguing artifacts that have come out of the Middle East. Designed with an overriding concern for linear stylization and a cogent sense of fun, some show superposed laughing human faces in the central shaft, with spindly arms extending sideways to clutch wriggling

Carefully examined, others can be seen to be purely figural. One such piece sold for 19,954 francs. Two standing felines face each other, their heads thrown back to touch ever so gently the hutts of two small mountain goats. In the middle, a shaft goes np, topped by a human head that looks suitably nonplused.

Stranger still in its kind of shorthand figuration is a standing female figure pressing its breasts as two crested hird heads with vulture-like beaks spring out of each shoulder. The female's eyes dilated under her raised bushy eyebrows and the broad smile that pulls up the extremities of her closed lips suggest hilarity. Ascribed to the eighth or seventh century B.C., she laughed her way up to 20,508 francs.

This, however, pales by comparison with another female figure pressing its

an arrow cast in low relief on the blade breasts while carrying two felines that stand on its rigid cap. These in imm support a tablet on which a goat, its tail perkily curled up, is precariously poised as if to demonstrate its acrobatic skills.

The meaning of all this cludes us even though the visual themes are familiar in Middle Eastern art, be it the maked female character or the felines chasing animals. It looks like a piece of sophisticated spoofery - dazzing enough to be pushed up to 105,312 france by a London dealer. In this cartoon line, the most pithy

came up minutes later in the form of a crescent ax head, a shape common enough in the north Iranian sites around the Caspian Sea. A lion's head in the best Mickey Mouse style — big pop eyes, jowls so hlown up in the effort that the beast looks like a hippo grips it in its teeth. Attached to the lion's head, the tubular element that allowed the haft of the ax to go through carries a lion downing a boar. The symbolical weapon (it is too awkward to be of use, like all Lorestan axes). climbed to 135,242 francs.

OW it all ended can only be surmised. Horse bits appeared, almost certainly linked with the growing number of Iranian groups. The earliest are in the comic-strip vein dear to the Lorestan artist as in a piece with mountain goats and winged quadrupeds dancing a jig.
The latest, straightforwardly figural, represent horses, boars and winged bulls. Some are joined back to back as in the north Iranian bronzes from the pian Sea sites or, centuries later, as on the huge stone capitals at Persepolis. The enigmatic culture of Lorestan (and of Elam) slowly hlended into the Iranian world. Like China in the Far East, Iran had become the pole of attraction, the artistic model for the entire area.

The Chaos and Color of the Ancient World

By Roderick Conway Morris International Herald Tribune

tei of:

 $m\epsilon$

jou

wil

go

bus

(an

ica

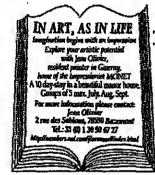
nev

3117

Bo Fra

io l

IMINI, Italy - In 59 A.D., as Tacitus recorded in his "Histories," a fight "Roman Painting: From the broke out among rival fans at a gladiatorial contest in the Age" (which continues until circus at Pompeii.



snapshot of antique hooliganism is one of more than 170 exhibitions that have been brought from all over Italy to the medieval city hall in Rimini for the fascinating Aug. 30).
Rimini is now chiefly

games at Pompeii were but the old town bas a fine banned by the consuls for 10 Roman bridge and triumphal ears.

A vivid popular painting of berti's Tempio Malatestiano hem on the terraces spilling Renaissance revival of the artists. site that has proved the tached frescoes from the greatest single source of our towns buried by the cruption knowledge of painting in the of Vesuvius in 79 and kept now at the Naples Archae-

ological Museum, which is still, alas, closing parts of sections and whole sections without warning. That makes the Rimini show particularly welcome, a hlissful opportunity to see some of hese exceptional pieces.

Time, the elements and the eleaning of ancient buildings, statues and artifacts have left ne with a bleached and sanitized version of ancient Greece and Rome. In reality, as numerous discoveries and more scientific archaeology have revealed, the visual

This nearly 2,000-year-old scene then was infinitely more chaotic and colorful than a visit to the average museum and monument would suggest.

The full color, even garishness, of the Roman urban environment was finally exposed by the uncarthing of rouge, gold necklace and Pompeii and its neighboring bracelet, but also painted-on, sites. External walls were a Dozens of spectators were Rimini is now chiefly riot of shop signs, advertise-killed and injured, and the known as a seaside resort, ments, election slogans and random graffiti; even cemeteries did not escape the attentions of roving political propagandists, sports fans the event, showing the may- church, a milestone in the and amateur pen and brush

Writer, pass this monnment by. Any candidate who dares to put his name here will fail utterly and never be elected to any office." Courtyards were liberally

decorated with images ranging from a ferocious-looking dog at an inn to deter troublemakers to elaborate garden and mythological scenes in the entrance ways of the bonses of the well-to-do. Interiors, too, were filled with color, from simple overpainting of plaster in burnbler dwellings to the elaborate fake marble and polychrome stucco and narrative fresco cycles in the mansions of the rich.

painted, and the show includes some telling surviving examples, including the socalled Venus in Bikini, from

the Naples Museum, which retains not only remains of the tinting in her hair, lip semi-see-through, gold lamé from Herculaneum. Famons paintings were avidly copied by fresco brassiere, basque and knickers, evidently added not so

much to cover the goddesses' charms as to increase her al-Although the vast major- poster manufacturers today, ity of paintings that have making masterpieces avail-come down to us are fres- able to a wider public. That over into the streets around principals of classical archithe circus, has come to light tecture. Inevitably, many of dals, one tomb at Pompeii held in the esteem it later could turn up in both popular coes, this medium was not exactly the same picture on a wall at Pompeii — the the works on display are de- has the minatory curse: achieved. Easel painting, media is nicely demonstrated site that has proved the tached frescoes from the "Writer, pass this moon- usually on wood, inspired by here by near identical scenes Greek originals that found their way to Italy, seems universally to have been regarded as the acme of the fresco from Stabia. painter's art, while making frescoes was viewed as a

semi-art, semi-craft activity. T the upper end of the market there were both men and women practitioners - indeed one of the Pompeii frescoes on display depicts a female painter at work in her studio - and their products were hung on the

Statues were also routinely and public galleries promoted by wealthy connois-

The refinement of composition, drawing skills and hrusbwork of this high art, not to be equaled again until the Renaissance, is well illustrated here by two exquisitely delicate paintings on marble

painters and mosaicists; who in this capacity offered a similar service to print and of street musicians, one in more durable mosaic from Pompeii and a later one in

Portraiture as well reached a level of sophistication that was not matched for hundreds of years, even though. with the exception of the marvelous Fayum portraits from Egypt, very little has survived of the very best productions on wood.

Happily, however, in some cases the talents of the painters of frescoes were such that we can glimpse at least how fine and psychologically prohing these Roman portraits could be.





"Mosaic of Street Musicians." left, and "Victory With Tripod," both from Pompeii.

inlaid marble are also in- matrons went to perform their animals. eluded, and painted books, ablutions and socialize. Even particularly after the rise of married couples might well

Christianity. Something of a lacuna, though forgivable given the abundance of excellent ma-

be enlivened with explicit

sexual paintings. For, as Roman painting more than any other art form demonstrates, the Romans had very few hang-ups about sex — though most Romans had equally few hang-nps about watching men kill each

Some beautiful pictures in the most upright of Roman being mauled to death by wild-

Curiously enough, while which thrived as an art form the bedrooms of respectable celebrated gladiators were seen as worthy subjects for art, the other cruel and bloody activities that took place in the circus received little attention. even from popular painters reflecting everyday events.

Except, of course, in a case like that of Pompeii in 59 when the spectators started killing each other. But given the decade-long

suspension that earned Poin

CROSSROADS INTERNATIONAL Cuserstraal 3, S. Amsterdam Info. 020-641 8812 or 020-6451 653. FRANCE/TOULOUSE

AMSTERDAM

(Evangelical). 4, bd de Pibrac, Colo-mier. Sunday service 6:30 p.m. Tel.: 8400. Metro: George V or Alma. 05 62 74 11 55. FRENCH RIVIERA/CÔTE D'AZUR

FRANKFUET

St Leonhard, International Catholic Parish, Alte Meinzer Gasse 8, 60311 (near Romer). Masses in English: Saturday 5 p.m., Sunday: 10 a.m. Tel/Fax

ORERURSEL/OBERSTEDTEN ST. MARY'S CATHOLIC CHURCH (English Speaking & St. Petrus Carrielus Kirche), Am Aiten Bach 2. Oberussel/Oberstection), Mess Sun, 11:00,

Pastor Fr. Bruens 069 7191 1430 or Church Office 06171 259 83. PARIS and SUBJERES

MMANUEL BAPTIST CHURCH rue des Bons-Raisins, 92500 Plueil-Malmaison, Summer schedule July, August: Worship: 9:45: Collee hour 11:00. For info Tel: 01 47 51 29 63/01 47 49 15 29 or HOPE INTERNATIONAL CHURCH Hotel Orion at Paris-la-Défense, 8 bd. de Neuffly. Worship Sundays. 10.00 a.m. Rev. Frederic Henry, Pastor. T.: 01 43 33 04 06 Métro 1 to la Défense

SAINT JOSEPH'S CHURCH (Roman

Fyou would like a free Bible course by mail.
Sunday School/Nursey 10:45 Sebastian please contact L'EGLISE de CHRIST, P.O.
Bor 513. Staurtion, Indiana 47881 U.S.A.
Miquel-Allee, Tel. 49 (1) 69550184.

THE EPISCOPAL CHURCHES OF EUROPE (Anglican)

PARIS

THE AMERICAN CATHEDRAL OF THE HOLY TRINITY, Sun. Eucherist 9 & 11. Moning Prayer M-F 2:15. Eucheriste/Pibre du soir on Irançais, sam. 18/00, 23, avenue George V. 75008 Paris. Tel.: 33 (0) 1 53 23

ROYAT (FRANCE)

CHRIST CHURCH, (Clermont-Ferrand NICE: Holy Titally (Anglican), 11 sue Bullia, Sun. 11; VENCE: St Hugh's, 22, av. Résistance, 9 a.m. Tet 33 04 93 87 19 83.

ST. JAMES' CHURCH, Sun. 9 am. & 11

a.m. Via Bernardo Rucellel 9, 50123. Forence, boly. Tel.: 39 (1.55 294 417. ROME ST PALES WITHIN THE WALLS . SIR.

ucharist Pile | 8:30, Eucharist Pile | 10:30. Eucherist in Spenish 1 pm. Via Nepol 58, 00184. Tet: 39 06 488 3339 or

KARLSRUHE (GERMANY) ANGLICAN EPISCOPAL COMMUNETY

1st & 3rd Sundays 5 p.m., in chapel of 18.C., Hoh
Lutenheim, Kochstr. 2-4. Tet. 49 (0) 727 Worship St

283 79 or 49 (0) 721 49 15 99. BRUCKMUEHL (GERMANY)

BRUCKMUERR (GERMANNT)

LB.C., Str. Xenopol nr. 2. This is next to

ANGLICAN-EPISCOPAL COMMUNITY, Gradina locanei. 11:45 - 13:15. Contact

meets at Ex. Lutheren Johanneskirche, 1st

Pastor Bill Bowers, Tel. 330-0273 or meets at Ex. Lutheran Johanneskirche, 1st Sun. 11 except August, Adelben-Siller-Sir.

2,83052 Tet 49 (0) 80245415 MUNICH

THE CHURCH OF THE ASCENSION un. Eucharist 9, Eucharist, Sunday chool/Nursery 11:45. Saybothstr. 4, SAINT JOSEPH'S CHURCH (Homen
Cathole), MASS IN ENGLISH Set 6:30 p.m.; School/Nursery 11:45. Seybothstr, 4,
8:30 p.m.; 5:45 a.m., 11 a.m., 12:15 p.m.,
8:30 p.m. 50, avenue Hoche, Paris 8th. Tel.: 89648185.
01 42 27 28 56. Metro: Charles de Gaulle - Erois. FRANKFURT

CHRIST THE KING Euchartet Surt. 9 & 11.

WIESBADEN

RELIGIOUS SERVICES

STAUGUSTINE OF CANTERBURY Sur. 10 Eucharist, Frankfurter Str. 3. Wiesbaden, Germany, Tet. 49 US; 61130 **SWITZERLAND**

EMMANUEL CHURCH, 1st & 3rd Sun, 10 **BRUSSELS/WATERLOO**

SAINTS' CHURCH, Euchar

Sunday School 11:15 a.m., Euchenst Ist Sun. 9 a.m., 583, chaussée de Louvan, Ohain. Mail: 81, rue Coleau, 1418 Watertoo, Belglum. Tel: 32 (0) 2 364 3556. EUROPEAN

BAPTIST CONVENTION

LB.C., BERLIN, Rothenburg Str. 13, (Steglitz). Sunday, Bible study 10.45, worship Service 12.00 noon, Charles Warford, pestor, Tel. 030-774-4670. **BRATISLAVA - SLOVAKIA** LB.C., The luvents, Karloveska 64,

m 1048. Worship Sun. 10:00. Auditorium 1048 Tel.; (07) 715367 BREMEN

LB.C., Hohenichestr. Hermann-Bose-Str. Worship Sun. 17:00. Pastor telephone:

0421-78 648 BUCHAREST

BUDAPEST

I.B.C., meets at Mories Zsigmond Gimnazium, Torokvesz ut 48-54, Sun. 10:00. Tel 250-3932. BULGARIA LB.C., World Trade Center, 36, Drahan Tzankov Blvd. Worship 11:00 James Duke, Pastor. Tel.: 971 - 2192.

16:00. Tel: (0611) 941-0505.

DARMSTADT - GERMANY LB.C., Wilhelm-Leuschner Str. 104, Darmstadt-Grieshern, Bble Study Sun

FRANKFURT INTERNATIONAL CHRISTIAN FEL

Sodenestr. 11-18, 83150 Bad Homburg Sunday Worship, Nursary & SS: 11:20 A.M. Mid-week meastres, Pastor M.Lavey, Califac 06173-62728 BETHEL LB.C. Am Dachsberg 92 \$28.50. Ivan R Dec. (English), Worship Sun. 11:00 a.m. and 6:00 c.m. Tel: 069-548559

HOLLAND THINTY INTERNATIONAL every you to a Christ centered fellowship Scruces 900 and 10:30 a.m. Bloemcamphan 54.

walls or displayed on easels

in the homes of the prosper-

ous and shown at exhibitions

mar 070-517-8024 mursery prov NICE - FRANCE LB.C. 12 ruo Vernier. English service, Sunday evening 18:30, pastor Roy Miller - Tel. (04 93) 24 92 61.

ST. PAUL DE VENCE - FRANCE St. Paul de Vence - France LB.C., Espace St. Worship Sun: 10:45, Tet: 104 907 24 92 61 PRAGUE

LB. PELLOWSHP, Vinchradska # 68, Prague 3. Sun. 11:00. Tell. (02) 311 7974. WATERLOO WATERLOO BAPTIST FELLOWSHIP

Sun. 19:00 at Swedish Church, across from MadDonekts, Tel.: (02) 353 1585. ZURICH - SWITZERLAND LB.C of Zürich, Gheistrasse 31, 8803 Huschtkon, Worship Services Sunday mornings 10:30. Tel: 1-48/0018.

ASSOC. OF INT'L CHURCHES

GENEVA EV. LUTHERAN CHURCH 20 rue Verdaine, Sunday worship 9:30, in German 11:00 in English, Tet (022) 310:50:89 PARIS AMERICAN CHURCH IN PARIS Worship 11:00 a.m. 65, Osai d'Orsay. Pans 7. Bus 63 at door, Metro Alma-

INTERNATIONAL PROTESTANT CHURCH Eriplich speaking, worstep server, Sunday School & Nursery, Sundays 11:30 a.m., Schoolzengasse 25, Tel. (01) 2222222.

CURSED DAYS:

A Diary of Revolution By Ivan Bunin, Translated and prefuced by Thomas Gaiton Marullo, 286 pages,

Reviewed by Katherine Knorr

TN 1920, after three years of great anguish, the Russian writer Ivan Bunin left his country forever. In the years that led up to his exile, he kept bere gives us the whole thing, an account of the ever widenwith an insightful introducing bestiality that accompantion and notes to guide the ied the consolidation of Bolshevik power.

Since the fall of the Soviet Union and the opening of many archives, we have learned a great deal more about just how violent and evil was the power that replaced the weak and self-destructive czarist regime. Bunin's diary is a view from the ground, however, a personal and touching document that bears witness to the soundness of many of his judgments about the darkness that had fallen over Russia, and about the opportunists and fools who helped it along.

"Cursed Days," published by Bunin in 1936, is here and then Odessa as he available in English for the

NEW AUTHORS PUBLISH YOUR WORK ALL SUBJECTS CONSIDERED Authors world-wide invited Write or send your manuscript to MINERVA PRESS ZOLD BROMPTON RD. LOACHN SH 7 300

terial here, is the absence of erotic art, which was wellnigh ubiquitous in the imperial Roman world. It was by no means featured only in brothels, but other in the arena, or rumaway also in the locker rooms of the slaves, condemned criminals most exclusive baths where and, in due course, Christians peii, that really was news.

BOOKS

first time, in a translation by simple, and in the light of

Dame University who had man, who instinctively feared two of three volumes of a than that of any one man.
"hiography" of Bunin in his "For Bunin," Marullo Marullo included entries strife has allowed the dark "Cursed Days" from 'Ivan Bunin: Russian Re- face and renew its reign, enquiem, 1885-1920" and trenching the national pen-"Ivan Bunin: From the Other chant for 'savagery and tears'

Western reader through the cascade of Russian names and historical references. Bunin, who was in his late 40s when he kept this diary. depended on newspapers all of them biased - and on rumors, and some of the events he relates are false or misunderstood. Often, his anger gets in the way of reason. Still, these are the (mostly) immediate reactions of a man whose instincts have been proved eminently right, who knew that, with the victory of the Bolsheviks, the worst

would happen. He sifted through the rumors and walked the streets of Moscow watched the brutes who had become petty officials, drinkof sunflower seeds.

seemed to many people dur-

ing his long exile an im-

possible, crotchety and class-

Russian. But it was never that

conscious man, an "old"

Prize for Literature in 1933.

Thomas Gaiton Marullo, a what we know today be professor of Russian at Notre seems very much a modern writes, "the new sedition and in side of I'ame russe to resur-

Shore, 1920-1933," the two and for 'always moving for-biographical volumes, and ward in circles." He was a son of the feckless landed gentry whose languid incompetence was one of the factors in the fall of Nicholas II, but he was never romantic about the failings of

his class. In the last decades of the czarist regime, he came under scrutiny as a "decadent" writer who far too realistically portrayed the brutish Russian countryside, with the jostling for power of the kulaks and the merchants.

Indeed, Marullo tells us that, come the Revolution, Bunin saw the more grolesque characters from his own books leave the page and take over the street. "Now all the homes are dark." Bunin writes on May 1, 1919. "The entire city is in darkness except for the thieves' dens. There one can hear balalaikas ing and spitting out the shells and see shining chandeliers and walls covered with black Bunin, who won the Nobel banners with white skulls and the inscription; 'Death, death

to the bourgeois! " Bunin was not only anti-Bolshevik, he was essentially opposed to utopian movements. He made long and

mostly accurate comparison between the Russian Revo lution and the French one and be goes against the historical already published the first the tyranny of the mob more piety of the left by condemning revolution per se.

Among the many lasting insights of this diary is Bunin's critique of "revolution arv literature. He was shocked by the vulgarity of the writing, which he saw at the destruction of the last guage that had nourished the writers he admired and befriended, like Tolstoy and Chekhov.

"Everything — and espe-cially literature — has some out into the street, has joined up with it, and has fallen under its influence." he writes on May 6, 1919. "And the street corrupts and rankles, because it becomes so terribly unrestrained in its praises when it is catered to. Russian literature now has only 'geniuses,' An amazing harvest!"

In June 1919, the published diary ends. Bunin emigrated to France early in 1920, where he lived in rage and in sorrow, often in great poverty, until his death in 1953.

Marulio says there is now a new surge of interest inside and outside Russia in Bunin and other writers who had too dismissively been labeled as "aristocratic." His translation, along with the biographical trilogy, is an important part of re-establishing the record on the terrible upheavals that shook much of the world in the first half of this century. in the name of that elusive fellow, the common man.

International Herald Tribune

Politics of spower Struggle

Shane white the contract interest, i loa seed with the control of the seed of t should or Redden Sales And DOMPONIES SAI LICEN

Hockey He was a conference of from Redden. Property of the Actions of the Actio No. 2012 and the country of the state of Comme in Section 250 Tomats To mark the second of the seco recent date med 20 cm Mis or Missic India and along the second tresure that - terral from -y higher Chin And the

Total Reck TO TO GOOD !! who who - and bad 175 at #H. rese that The such de · In Part # 19 COMMON. ACTIONS - sand was Ther work OP THE

-- theal clien

ARTS

Musing available of the Act of th

nde side at-

Arde LTV.

fin mater

opera singa ----

spec Mon.

ther:

by Lincoln C=::

actually (E

replacement You be

POR peed TO . T .

ad, 20-hear ?

not allowed to

the she wile



SUMMER Eastin Causer Campendook ... Care STATE DAVE DONE P-∌ن⊒ 3.3.3 SW Have

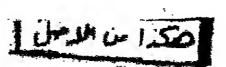
Heres Crane Kalen : 5 Brown Te 174 6 750 Suzarme Bier Amsterd

12558 A Christie w -NE de 23-28 June \$ Stand Tet: + Gallery, O.Z. CIS EX Ter:+312

The Internation a compilation

181 avenue Chai

850



Melting Pol The state of the s

the analysis of the same of th English of all this children and the children are the children and the children are the children and the children are the chi

to go the second of the second

The state of the s

and the later may be a solution of the solutio

Mouse Mouse so blow less look

Teen Ale lubular to the ax in

tacth Age

Sall at the sale of the sale o

Hos.

- Ad - :: 由 由 - 3 。

· To Think the

5.01

11 E. 570,025 (

STATE OF

-4101.37

· · · -: st

100 let 54 f

... ::- F : 177.00

. . . .

1.47022

1,52

o ban

The process of the pr

Politics of Opera Power Struggle in Shanghai

By Seth Faison New York Times Service

HANGHAI - Just as President Bill Clinton arrived to a colorfully choreographed welcoming ceremony in Xian, a remarkable drama about a different strand of U.S.-Chinese relations was wrapping up at Shanghai International Airport

In a seedy-looking departure lounge, Nigel Redden, director of the Lincoln Center Festival in New York City, sat down for a final talk with the director of Shanghai's Bureau of Culture, Ma Bomin, who had blocked the classic Chinese opera "The Peooy Pavilion" from going to the festival in time for its scheduled opening July 7.

Reddeo's flight was scheduled for 7:40 P.M., and he was informed in the late afternoon that Ma would go to the airport to see him off, because she had

At 7 P.M. in the bar, Ma informed Redden that her bureau was now willing to compromise on the matter that kicked off this whole drama a week ago: blocking the shipment of elaborate sets, costumes and props. The shipment, Ma said, could now proceed.

Redden, suspicious after days of fruitless negotiations, quickly asked a pertinent question: What about the actors? Would they be allowed to go too? No, Ma said with a grimace, the actors of the Kungu Opera Company would not yet be allowed to perform, as she had said over and over, unless the opera

was fully restaged to fit the government's guidelines.

Costumes, but no actors. Perfect. So a high-profile example of cultural exchange between the United States and China lay in ruins at precisely the time Chinese and American officials are most eager to clear away unnecessary

To an arts executive like Redden, it is stunning that the Chinese authorities would want to prevent any ancient Chinese opera from being performed in New York (especially since Lincoln Center is paying). But it became clear in recent days that officialdom here was not against "The Peony Pavilion" so

much as one particular official was, and her name is Ma.

Ma's comments suggest that some petty political motives — power over artistic troupes, professional jealousy, the right to censor — may play as hig a role as the artistic objections she cited, complaining that the work was a national treasure that needed to be protected from unorthodox interpretations.

And the reluctance of any higher Chinese authority to rein her in suggests that she wields considerable political clout. At the airport Thursday evening, Redden began to let his frustration show after making so little headway in negotiations, particularly when Ma, a former opera singer, tried to tell reporters who had been hastily assembled that her

compromise showed how her hureau had been so flexible in these talks 'There has been no flexibility at all," Redden protested. "I've been here since Monday, and have been met with no cooperation whatsoever."

FTER Redden left, Ma turned to the reporters again and made another pitch: Maybe Lincoln Center would accept a safer version of "The Peony Pavilion," one that was simpler to stage, that used oone of the innovative techniques of Chen Shi-Zheng, the director hired

hy Lincoln Center, whom Ma, to put it mildly, does not like.
"We have already started rehearsing," Ma said, hrightening, "We could certainly take it to Lincoln Center in time for their festival."

Chen, dejected by the opera's demise, lamented that hureaucrats like Ma seemed to have no sense that a serious arts festival like Lincoln Center'a actually valued artistic integrity and vision and would not simply slap in a replacement performance by another troupe if the original was blocked.

"You know, 'The Peony Pavilion' itself is about pursuing a dream, and how you need it to survive," said Chen, who left China in 1987 and became an

Musing about his own dream of staging the opera in its original and full 55act, 20-hour form, he said, "In China today, it is so clear, that kind of spirit is not allowed to live."

World of Learning and a Virtual Library

By Barry James International Herald Tribune

visionary Balgian who sought to put all human knowledge on 3-by-5-inch library cards in a temple of learning that he called the Mundaneum.

Yet, as a new museum in Mons shows, Otlet's century-old concept preconfigured the Internet. Rescued from neglect, the Mundaneum has found

a permanent home here in a converted 1930s department store and annexes for research and storage. Boxes crammed with the tons of documents and publications collected hy Otlet and his followers fill about 6 kilometers of shelf space, awaiting classification. Vast iconographic resources, including hundreds of thousands of posters, posteards and glass photographs, remain largely unexplored.

"It will take us more than 100 years just to sort out and scan the newspapers into computers," said Daniel Lefebvre, an

Otlet appears to have been the first to realize that information exists independently of the medium that contains it and that any artifact can be considered a primary source. Today, the stretching of the concept of a document to embrace a wide range of sources and experiences has become a guiding principle of Internet com-

Otlet also realized the importance of associating different strands of information to connect what is known to what is potentially known. On the Internet, this is known as hyperlinking, or the ability to move from one idea to another by clicking on a link in a document or picture.

In the 1930s, Otlet predicted that "electric telescopes" would enable users to consult books stored in distant libraries. He envisaged that people would read texts on screens. He thought that machines would one day be used to retrieve data reduced to their analytical elements - was he thinking of digitalization? Otlet also had a notion of mul-

timedia that even now is ahead of its time. He thought that touch, taste and smell as well as sounds were valid information sources. He helped mold modern library science. He in-

troduced the standard microfiche and in 1934 wrote 'A Treatise on Documentation' that remained the standard reference work until the advent of electronic information storage and retrieval.

Various moves over the years and the destruction of parts of the collection have rohbed Otlet's filing system, which once contained more than 12 million cards, of any unity it may once have had. He pleaded for the Mundaneum to be kept intact, but 70 tons of material were destroyed in 1970, followed by a further 23 tons in 1980 and six containers-full in 1993.

The designers of the museum faced the challenge of how to convert the handreds of battered, dusty filing cabinets packed with cards full of arcane and disjointed knowledge into an exhibition that would attract

the nonspecialist public. They have created a phant-asmagoric library, with a revolving, four-meter-high ONS, Belgium — Outside specialist worn wooden desks. At one point, cards spill ont of circles, few have heard of Paul Otlet, a visionary Belgian who sought to their cabinet in an artful display specialist their cabinet in an artful display specialist of their cabinet in an artful d

Inst inside the door is a re-creation of Otlet's office, a jumble of books, papers, a battered typewriter, an old top hat. Otlet did not believe in keeping a tidy desk pictures show his bearded visage peeping over disorderly ramparts of paper.

This juxtaposition of order and chaos forms a backdrop for an examination of Otlet's ideas, times and

The Hague, work for which he received the Nobel Peace Prize in 1913. Otlet was equally committed to peace, all the more so after his soo was killed in World War L

The universal exposition in Belgium in 1910 caused Otlet to ask why such ephemeral examples of international goodwill should not become a permanent fixture, and he began badgering the Belgian government to provide a home for his huge card index and

A meeting with the Norwegian sculptor Heodrik Christian Andersen led Otlet to form an even grander amhition. Andersen worked with a team of about 30 architects to elaborate his grandiose plan for a city of the intellect, distinguished by a 320meter 'tower of progress.' Otlet proposed that the Mundaneum should become the intellectual hub of such a city. which would be the headquarters of a future society of nations. Several sites were considered, including Tervueren, just east of Brussels, the Hague and Lakewood, New Jersey.

The war made the Belgian government receptive to Otlet's proposals. In 1919, it turned over to him a wing of the Palais du Cinquentenaire in Brussels. However, the victorious powers decided to huild the society or League of Nations not in Tervueren as Otlet hoped, but in

Later Le Corbusier, after failing in his hid to design the Palace of Nations in Geneva, drew up plans for the great city project. Otlet remained obsessed hy the idea until his death in 1944.

Meanwhile, the Belgian government had long lost patience with the Mundaneum. In 1924 it required Otlet to give up much of his space to make way for a temporary exhibition by the rubber in-

In 1934, the Mundaneum was closed, although the collection remained in place until German froops threw it out to make way for an exhibition of Nazi art. The

VER the years, volunteers continued to add

Mundaneum moved to cramped quarters at the Parc. Lecoold in Brussels and subsequently to a succession of temporary storage places, ending up in a parking garage from which Belgium's Francophone community government rescued it.

to the collection, although without a coherent intellectual vision. Now the director of the Mundaneum, Jean-Francois Fneg, hopes to re-create the Mundaneum as a research center by capitalizing and huilding on those aspects of the collection that reflect the interests of its founders: pacifism, feminism, socialism and anarchism.

The Mundaneum, which Le Corbusier described as a panorama of "the whole of human history from its origins," was undoubtedly the first attempt to create a virtual library.

of turning that vision into reality.

have minimum to the that have delight property and state after the management



Paul Otlet, left, with some of his collaborators in 1937.

circle of acquaintances. Amhitions as it was, the Mundaneum was not intended to be an end in itself. Otlet wanted it to be the intellectual heart of a great city dedicated to peace and universal brotherhood, a project on which he worked for a time with the architect Le

The story began in 1895, when Otlct and Henri La Footaine - a fellow lawyer, socialist and pacifist founded the International Burean of Bibliography. They believed that knowledge equaled power and that the classification of knowledge could be a powerful tool for creating progress and peace. The utopian scope of the bureau, therefore, was to compile a universal index of all knowledge. The founders created the Universal Classification System on the basis of the decimal method invented by Melvil Dewey in the United States and defined the 3-by-5inch (12.5-by-7.5-ccotimeter) punched catalogne cards that are still used in libraries.

La Fontaine was an ardent feminist and peace

But only now does technology hold out the promise

ARTS



Bacon Calder

Caro

Campendonk

Stuart Davis

Arthur Dove

Dubuffet

Fontana

S.W. Hayter

Hepworth

Hofmann

Freud

OBE

GALERIE

HOPKINS • THOMAS • CUSTOT

Impressionist and Modern Paintings

2, rue de Miromesnil, 75008 Paris Tél. 33 1 42 65 51 05 - Fax 33 1 42 66 90 28



Important Modern

Paintings

Attractive Prices Tel. 33(0)1 39 76 47 77 Suzanne Biederberg Gallery Amsterdam Art Fair KurstRal '98 - Stand 909 Christie van der Haak and van den Henrel Jos de L'Orme 23-28 June, RAI Amsterdam Stand Tel: +31.655733148 Gallery: O.Z., Voorburgwal 223

SUMMER EXHIBITION Lagar Koore

Newcomb

Noida

Pechstein

Rousest

Steinberg Sutherland

Walks

27 June - 30 August 1998

Crana Kalman Gallery Ltd

178 Brompton Road London, SW3 1HQ Tet 0171-584 7566 Fax: 0171-584 3843

Smith

Ben Nicholson

Winifred Nicholson

sales auction

DROUOT RICHELIEU 9, rue Drouot 75009 Paris - Tel.: 33 (0)1 48 00 20 20

Tuesday, July 7, 1998

Rooms 1 & 7 at 2:15 p.m. 17th, 18th and 19th century FURNITURE and WORKS OF ARTS from a castel in Lozère and other parisian connoisseurs. Etude TAJAN, 37, rue des Mathurins, 75008 Paris, tel.: 33 (0) 1 53 30 30 30 - fax: 33 (0) 1 53 30 30 31. Web: http://www.tajan.com -Email: tajan@worldnet.fr.

Thursday, July 9, 1998

Room 1 at 2:15 p.m. 18th and 19th century CERAMICS MINIATURES-COLLECTABLES, CINEMATOGRAPHIC WORKS from 1900's, FURNITURE from a parisian apartment. Etude TAJAN, 37, rue des Mathurins, 75008 Paris, tel.: 33 (0) 1 53 30 30 30 - fax: 33 (0) 1 53 30 30 31. Web: http://www.tajan.com - Email: tajan@worldnet.fr.

- Thursday, July 9, 1998

Rooms 5 & 6 at 2:15 p.m. 19th and 20th century PAINTINGS - DRAWINGS - SCULPTURES, of which 5 works of Léon Pourteau, who died at the age of 30 (1868-1898), friend of Seural Etnde TAJAN, 37, rue des Mathurins, 75008 Paris, tel.: 33 (0) 1 53 30 30 30 - fax: 33 (0) 1 53 30 30 31.



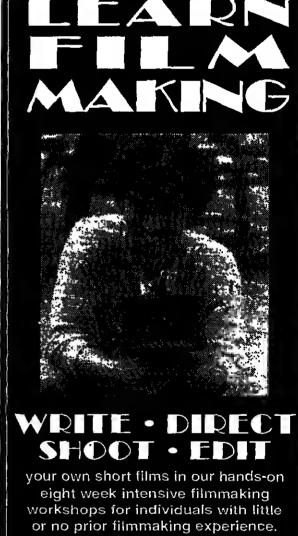


Major Impressionist & Modern Paintings

2 CORK STREET LONDON WIX IPB (t) +44 171 494 3200 (f) +44 171 494 3355

GALERIE MERMOZ PRE-COLUMBIAN ART

6, rue du Cirque - 75008 PARIS Tel.: (+33) 01 42 25 84 80 Fax: (+33) 01 40 75 03 90



Shoot your films with 16mm Arriflex cameras in small classes designed and taught by award-winning instructors.

SUMMER 1998 4, 6 & 8 Week Workshops

in the United States: NEW YORK FILM ACADEMY ... New York City PRINCETON UNIVERSITY Princeton, NJ YALE UNIVERSITY New Haven, CT Los Angeles, California

SORBONNE UNIVERSITY Paris. France CAMBRIDGE UNIVERSITY Cambridge, England

the most intensive hands-on program of its kind in the world

8 & 4 WEEK WORKSHOPS START THE FIRST MONDAY OF EVERY MONTH IN NEW YORK CITY

NEW YORK FILM ACADEMY

100 EAST 17TH STREET NEW YORK CITY 10003

TEL: 212-674-4300 FAX: 212-477-1414

For a Free copy of

1012 EX Amsterdam Tel: +31.20.6245455

The International Herald Tribune Art Guide a compilation of galleries, museums, auctioneers...

In Paris write to: Enza Lucifero International Herald Tribune 181 avenue Charles de Gaulle, 92521 Nevilly Cedex, France

In New York write to: Adele Grossman International Herald Tribune 850 3rd Avenue - New York 10022 Div Yid PE 1006 High Low-Latest Cirgo High Low Stock Div Yid PE 1006 High Low-Latest Cirgo

NYSE

19 juin 1798 (1er messidor an VI) 19 juin 1998

Happy anniversary,

International Herald Tribune

Lombard Odier & Cie

from the

12 Month High Low Stock

Friday's 4 P.M. Close
The 2,600 most traded stacks of the day.
Nationwide prices not reflecting late trades else

DIV YIN PE 1005High LowLatest Cirgo

Continued on Page 14

الكذا من ألاصل

Venezuelans Feel the Bite Of Poverty

As Economic Reforms Take Hold, Prices Rise And Inflation Is High

> By David Paulin Special to the Herald Tribion

CARACAS - Like many Venezuelans, Dilia Ferreira and her family, residents of one of the city's hillside slums, are eating less and have trimmed their already meager house-

They have been hard hit by free-market reforms that the government con-tends will eventually rev op the economy and tame soaring inflation, the highest in

Latin America in recent years. Poverty has been spreading in this South American nation of 22.6 million despite a 5.1 percent increase in ecooomic growth last year. That growth was led by a booming oil economy as Venezuela became the major petroleum supplier to the United States.

Now, depressed oil prices and rising prices are putting the government under increased pressure to maintain living standards, while following through on economic reforms.

According to Datanalisis, a Caracas research firm, 76.2 percent of Venezuelans are poor: unable to afford the entire Venezuelan basket of food, goods and services.

This underscores the grim reversal of fortune Venezuela has suffered since the mid-1970s, when high oil prices earned it the nickname "Sandi Venezuela." Back then, even maids could afford occasional shopping trips to Miami, many wistfully recall.

Now, 96.4 percent of Venezuelans carn an average of \$234 a month. That figure, from Datanalisis, groups together the poor with what's left of a middleclass, 20.2 percent of the population.

Recently, the International Monetary Fund sent a high-level delegation here led hy the Fund's head, Michel Camdessus, who said that Venezuela's economic reforms - including the dismantling of price controls, privatization of inefficient state industries and steep increases in the price of gasoline were on track.

That meant little to Mrs. Ferreira and her family, however. "Things are months later, derailed painful free-mar-



Hugo Chavez, the candidate giving Venezuelan executives the jitters.

hard," said the 57-year-old maid. We're eating less meat and lots more pasta, rice, beans and lots of arepas," or corn muffins.

She lives with her husband, Dagoberto, and one of their two daughters in a low-income and shantytown area called Catia.

The surge in poverty followed the lifting of currency exchange and price cootrols starting in April 1996. They had angered businessmen and foreign investors, who were unable to set their own prices, easily buy dollars and repatriate their profits.

ECONOMIC SCENE

Now, many investors have returned to Venezuela, a positive sign that the economy is on track, say free-market advocates. However, prices for honsing. medicines, goods and services have risen sharply and, in many cases, are hitting U.S. levels.

In response, the Ferreiras and millions of other poor Venezuelans have grown increasingly angry over their inability to make ends meet, a problem they attribute to the new economic

This December, they plan to vent their anger when the country elects a president. The Ferreiras will vote for Hugo Chavez, 43, a militant nationalist - a prospect that is giving business leaders and political observers the jitters.

Six years ago, Mr. Chavez, as an army lieutenant colonel, led a bloody but unsuccessful military coup three years after nationwide "price riots" were triggered by increases in hus fares. His attempt, and a second several ket reforms then being implemented hy

President Carlos Andres Perez. Mr. Chavez spent two years in prison before he was pardoned by the current president, Rafael Caldera, in a polit-

ically popular move. After forming the Fifth Republic Movement, Mr. Chavez favors business snits to the beret that was his trademark. Last April, he pulled ahead in the polls. If Mr. Chavez is elected, his critics fear, be will reimpose populist, statist and inward-lonking policies that, they

contend, are responsible for the country's economic mess. More ominously, they say, Mr. Chavez may even unleash a politics of vengeance against mainstream politicians and the upper class, 3.6 percent of

Venezuelans. Recently, Mr. Chavez proposed mandatory life sentences for those convicted of large-scale corruption — a favorite way for officials and political insiders to

become wealthy overnight. In a recent investment report, Merrill Lynch & Co. noted that the prospect of a Chavez presidency was making local business leaders "very nervous."

Merrill Lynch, however, carries little eight in Venezuela's grim and crimeridden slums and low-income areas, where most people live and where Mr. Chavez often campaigns.

"Chavez can move the country forward and is the hope of the poor," insisted a Ferreira daughter, Elena, 26. In some respects, many Chavez supporters are like the Ferreira family,

which lives in a ramshackle house in a shantytown area. Tweoty years ago, they appropriated

EU Agrees to Cut Farm Subsidies

Pact Aims to Trim 'Grain Mountain' by Doubling Area Left Fallow

By Barry James

BRUSSELS - After four days of contentious talks, European Union agriculture ministers reached agreement early Friday on a wide-ranging package of agricultural reforms aimed at trim-

ming Europe's bulging farm subsidies.

Chief among the policy reforms was a decision to double the amount of arable land taken out of cultivation to avoid the buildup of a new grain mountain.

But some analysts said that compro-

mise fell sbort of the root and branch reforms to the EU's Common Agricultural Policy that will become oecessary to rein in subsidies as the 15nation bloc takes in countries in Eastern

Europe with large rural populations. The EU agriculture council also adopted three other major reforms for

bananas, olive oil and tobacco. In addition, it agreed to cut subsidies to hemp growers in an effort to curb a massive increase in production that has been fueled by the illegal cultivation of marijuana and has led to more than \$30 million in subsidies last year.

Jack Cunningham, the British minister, said the deal on grain prices and production was "the most significant" in years. The talks were led hy Britain as the current holder of the revolving EU

The ministers agreed to take out of production 10 percent of the land used to grow grain or oilseeds - op from 5 percent this year - in an attempt to lift

prices and reduce the amount of money the EU spends to buy up surpluses.

Officials said the measure would double the amount of land left fallow to about 1.5 million hectares (3.7 million acres), and reduce grain and oil-seed production by 8 million tons in the coming year. Grain production this year is expected to be about 201 million tons, with estimated stockpiles totaling 15 million tons. Officials said this could rise to 30 million tons within less than two years unless action is taken to redoce overproductioo.

Under rules agreed with the World Trade Organization, the EU cannot subsidize the export of its surplus wheat, which is more expensive than the world price. It therefore needs to take more land oot of cultivation in order to keep production in line with the requirements

The EU began setting aside arable land in 1992 in an attempt to reduce grain mountains. Farmers receive a compensating income to leave land fallow, or a guaranteed minimum price for grain they cannot sell oo the open market.

This year's price-fixing talks were almost derailed by a Spanish refusal to accept any changes until other countries agreed to make more money available to subsidize the production of olive oil. The ministers agreed on a compromise that is unlikely to please Spanish farmers, tens of thousands of whom have taken to the streets to cootest the proposed economies.

The European Commission, the EU's

executive body, had sought to reduce olive oil production to drive up prices and reduce subsidies. The amount of fraudulent subsidy claims in this sector are believed to be high.

The ministers decided on an overall quota of 1.777 million tons, attracting more than \$2.3 billion in subsidies.

The compromise with Spain opened the way to an overall farm deal that also resulted in a slightly less protectionist arrangement oo banana imports inten-ded to aven a trade dispute with the United States, which earlier this week

threatened retaliation over the issue. The ministers agreed to increase the import quota of so-called "dollar ba-oanas" grown in Latin America and marketed by U.S. companies soch as Chiquita Brands International and Dole Food Co.

The EU has sought to protect its own growers in the Caribbean and Canary Islands, where production costs are higher than in Latin America, as well as from producers in the former colonies forming the Asia, Caribbean and Pacific groop.

It set a duty-free quota of 857,700 tons from these areas, as well as approving subsidies for growers in the Canary Islands, Madeira and French Caribbean possessions. At the same time, the EU will allow imports of 2.5 million tons of so-called dollar bananas from Latin America at a tariff of 75 Ecus a ton,

Franz Fischler, the commissioner in charge of agriculture, said this agreement would enable the EU to defend its position at the World Trade Organization.

Bank Merger Talks in Japan May Offer Showcase for Tokyo's Rescue Strategy

rescue deal quickly.

merger takes place.

ger would be better if it comes

By Sheryl WuDunn New York Times Service

TORYO - Long-Term Credit Bank of Japan said Friday it was in negotiations to merge with a smaller, stronger financial institution in a move from the government in exthat would turn the new bank change for taking over the into a showcase for the gov-ernment's first blueprint to Bank, which has about \$10.4 clean up Japan's bad debt.

If it goes through, the deal would create one of the nation's largest institutions, with bad debt, and it strongly hint-\$316 billion in assets, slightly ed that Long-Term Credit behind Chase Manhattan Bank should disclose a fuller Corp., with \$366 billion. It picture of its bad loans. would also likely end several
weeks of worries that finanutive said that he had received cial troobles at Long-Term assurances from the Bank of Credit Bank could spread and endanger financial stability in Japan, which already is suffering from a recession, a ceive their full support if the weakening currency and a jit-

tery stock market. "We have a bit of a crisis of confidence in the financial system, and confidence oeeds to be restored," said James Fiorillo, an analyst at ING earlier."

Barings The deal would effectively mean that the smaller bank, Sumitomo Trust & Banking Corp., with \$118 billion in assets, would absorb Long-Term Credit Bank, the nation's tenth-largest financial

Koichi Kato, secretary general of the governing Liberal Democratic Party, welcomed the merger plans, although be denied reports that party leaders had been in-

volved in brokering a deal.

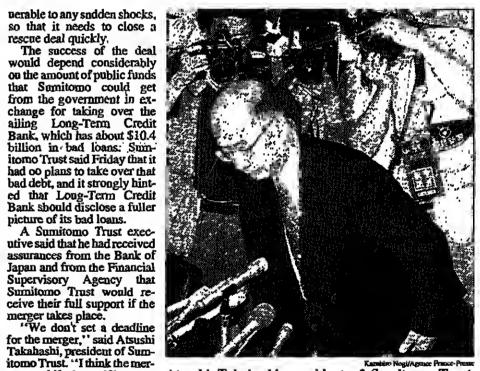
The merger would offer a timely opportunity for the government to put in practice its "Total Plan," which is aimed at tackling the nation's \$600 billion in bad debt at the

Prime Minister Ryutaro Hashimoto said Friday he endorsed the idea of setting up a "bridge bank" to assume the loans and clients of a failed institution and asked that plans be drawn up as soon as The deal between Sum-

itomo Trust and Long-Term Credit Bank is still uncertain, and news reports of the discussions prompted the banks to call separate late-night press conferences to announce that talks are taking place. Sumitomo Trust executives suggested Friday that the bank was interested in becoming a "global player."

Bankers and analysts say that Long-Term Credit Bank had been having a hard time securing funds in the interbank on a daily basis. On Friday, the bank said it met routine repayments on fiveyear and one-year debentures, worth roughly about \$2.8 billion. Long-Term Credit Bank's president, Katsunobu Ohnogi, insisted that the bank was "oot insolvent."

But analysts say that some foreign financial institutions concerned about the bank's financial health were not eager to continue purchasing bank's debentures. Moreover, such concerns make the bank highly vul-



Atsushi Takahashi, president of Sumitomo Trust, taking his seat at a Tokyo press conference on Friday.

GM Strike's Costs Ripple Across U.S.

By Keith Bradsher New York Times Service

FLINT, Michigan - A strike at two General Motors parts factories here, which started as local disputes over work hours and equipment investments, is producing economic effects that are slowly rippling out across North Amer-

. .

The GM strike has now surpassed the production lost in the strikes two years ago that began at brake-making plants in Dayton, Ohio, and has become the costliest labor dispute in the auto industry since a two-month national strike

Private economists are beginning to shave back their estimates of the annualized growth rate of the nation's ecocomic output during the second quarter. Before the strike, the consensus was that the economy would expand at about a 3 percent annual rate, but experts are now expecting that to be more like 2.5 percent.

GM is the nation's largest company, and its North American operations account for about 1.5 percent of the nation's economic output, according to the

Commerce Department.
The first effects were felt in Flint as sooo as the strike began, because GM accounts for more than half the employment and taxes here.

Wheo 3,400 workers went on strike at a metal-parts stamping factory June 5, nearby restaurants lost half their business immediately.

The next ripples came over the last two weeks as GM closed 26 of its 29 assembly plants in North America and curtailed production at nearly 100 parts factories. These factories have temporarily laid off 147,900 production workers, including 10,400 in Canada and 32,000 in Mexico, which is approaching half the company's North American

work force. The Labor Department announced Thursday that first-time claims for unemployment jumped 10.3 perceut last week in the United States, the first of many economic indicators likely to re-

flect the strike's effects. Now these effects are reaching across the country, into communities and states where the auto industry has been less visible than here in the industrial Mid-

ITT Industries Inc. has laid off 1,200 workers at a windshield-wiper factory in Rochester, New York. Lear Corp. has laid off 2,800 employees at car-seat factories from Delaware to Texas. And Harvard Industries Inc. has laid off 900 of the 1,250 workers at its factories in Churchill, Tennessee, Wytheville, Vir-ginia, and Newfields, New Hampshire.

The economy has rebounded sharply after previous GM strikes, as auto workers put in overtime to make up for lost production, and the economy is likely to rebound this time, too, government and private economists said.

With growing signs that the strike will not be settled during GM's annual summer shutdown in the first two weeks

of July - and with the likelihood that it will take two or three weeks for factories to reopen after a settlement economists are also reconsidering their

growth forecasts for the third quarter. Paul Ballew, the Federal Reserve's expert on the auto industry for many years and now the chief economist at J.D. Power & Associates, a consulting firm, said that economic growth could drop by as much as 0.7 percent in the third quarter if the strike lasts into August, as leaders of the United Auto Workers union threatened this week.

The lost production might not be recouped until the end of the first quarter of next year, because it is difficult to make op for lost production during the autumn, when new models are being introduced, he added.

William Strauss, a senior economist at the Federal Reserve Bank of Chicago, said that while the strike's effects might be temporary, it could have a slight but longer-lasting influence on increased

Price wars and discount coupons, spurred by a glut of late-model used cars and the dollar's strength in currency markets (making imported cars and car parts cheaper), have pushed down new-vehicle prices by nine-tenths of a per-cent in the last 12 months.

This has helped to restrain inflation because new-car prices make up 5.1 percent of the Consumer Price Index. GM still holds nearly a third of the U.S.

See GM, Page 15

CURRENCY & INTEREST RATES

June 26 Libid-Libor Rates

| STOCK | STOC 139 4.99 5.39 5.50 5.49 5.45 5.45 Price 4.87 5.12 99-24 99-15 110-22 101-08 106-30 Other Dollar Values Correccy
S. Afr. vend
S. Kor. vend
S. Kor. vend
Spred. bream
Tuhwan S
Thai bairt
Turkish Bru
UAE dirham
Weast, baib. Orrency Pers Currency
Argent, peso 1.00 Greek druc.
Argent, peso 1.651 Hong Kong S
Austries SCh. 12.66 Huns, fortal
Brust red 1.556
Brust red 22.82 Indicat ruped
Conch lumind 22.82 Indicat ruped
Con Pers 8,955 1,9569 7,627 42,04 3,67 184,15 6,194 2,7502 304.22 7.748 217.04 42.63 14950 0.7161 3.6696 0.306 4.04 Mex. peso
N. Zedand S
Norw. krade
PtdL pesu
Polish ziety
Pert. escutio
Russ rubbe
Soud rive 0.50 0.46 0.60 0.65 0.67 1.54 N.A. 294.50 295.10 293.25 — 0.10 293.65 + 0.50 295.00 — 0.10 139,87 1,5015 1,6616 1,4626 1,7898 3.45 3.48 3.57 3.68 4.76



Very briefly:

Αì

ref

Вe

Pre

COL

are

wii gov

bus tan ica

nev anı

Βø

Fra

10

ពេរ

 Brazil moved closer to full competition in its telephone market with the release of a plan to auction eight new telephone licenses by November, which would raise as much as \$5.2 billion. The new licenses will give their owners the right to compete with regional companies being split off from Telecomunicacoes Brasileiras SA.

 Wal-Mart Stores Inc. expects to open six more superstores in Brazil by the end of the year, bringing to 14 the number of stores it has opened since it started operating in Brazil in 1995, the newspaper Gazeta Mercantil reported.

• John Hancock Mutual Life Insurance Co. said it was putting the landmark John Hancock Center in Boston on the shopping block. No price was named.

• Monsanto Co. plans to sell its home lawn-and-garden business, minus its popular Roundup herbicide products, to Scotts Co. for \$300 million.

Americans' personal incomes rose by 0.5 percent in May, but spending grew at a slightly faster pace, 0.6 percent, as the savings rate fell to 3.5 percent from 4 percent in December.

• Call-Net Enterprises Inc. will buy Fonorola Inc. for 1,97 billion Canadian dollars (\$1.34 billion) in cash or stock and assumed debt, ending a two-month effort to buy the rival Canadian long-distance carrier, AP. Bloomberg

Westinghouse to Sell Nuclear Unit

Bloomberg News

NEW YORK - Morrison Knudsen Corp. and British Nuclear Fuels PLC have agreed to buy Westinghouse Electric Corp.'s nuclear and government contracting units for \$1.2 billion in cash, expanding their nuclear power plant capacity.

Morrison Knudsen, an engineering company based in Boise Idaho, will take a 60 percent stake. State-owned BNFL, Britain's largest nuclear-fuel processor, will own the rest. The companies will pay \$238 million in cash and assume liabilities.

Level	Change	%change	year to date
195.40	+ 0.15	+ 0.08	+ 13.53
81.02	+ 0.71	+ 0.88	15.57
235.02	0.77	- 0.33	+ 21.75
256.05	+ 1.17	+ 0.46	+ 18.55
123.34	1.52	1.22	19.21
250.71	+ 1.88	+ 0.76	+ 21.37
234.94	+ 0.66	+ 0.28	+ 12,02
209.89	1.33	0.63	+7.66
139.13	+ 0.45	+ 0.32	+ 13,15
150.99	0.67	0.44	+ 0.74
206.19	0.53	- 0.26	+ 23.29
202.46	1.41	D.69	+ 16.15
169.17	- 1.41	0.83	+ 1.38
	81.02 235.02 256.05 123.24 250.71 234.94 209.89 139.13 150.99 206.19 202.46	195.40 + 0.15 81.02 + 0.71 235.02 - 0.77 256.05 + 1.17 123.24 - 1.52 250.71 + 1.88 234.94 + 0.66 209.89 - 1.33 139.13 + 0.45 150.99 - 0.67 206.19 - 0.53 202.46 - 1.41	195.40 + 0.15 + 0.08 81.02 + 0.71 + 0.88 235.02 - 0.77 - 0.33 256.05 + 1.17 + 0.46 123.34 - 1.52 - 1.22 250.71 + 1.88 + 0.76 234.94 + 0.66 + 0.28 209.89 - 1.33 - 0.63 139.13 + 0.45 + 0.32 150.99 - 0.67 - 0.44 206.19 - 0.53 - 0.26 202.46 - 1.41 - 0.69

AMEX

The 200 most traded stocks of the day up to the closing on Wall Street. ARC CONTROL OF THE PROPERTY OF PERSONAL PROPERTY OF THE PROPE

Friday's 4 P.M. Close 是一种介绍,这个是一种,我们也是我们的对象是不是我们的介绍的,我们也可以是我们的,我们就是我们的,我们也是我们的,我们也是我们的,我们也是我们的,我们也可以是 1966年,1966年,1966年,1966年,1966年,1966年,1966年,1968年,1968年,1968年,1968年,1968年,1968年,1968年,1968年,1968年,1968年,1968年,1 おかれななない

Stocks Climb Amid Profit Optimism

Compiled by Our Stoff From Disposches NEW YORK - Stocks rose Friday on optimism that a growing economy with little inflation and low interest rates will bolster corporate profits later this year.

"The second quarter's going to be the worst quarter and then things are going to improve," said Stephen Dalton, a manager in growth stocks for First Union Corp.'s First Capital Group. "If we look out six months

U.S. STOCKS

from June, we're talking about fairly

The Dow Jones industrial average closed 8.96 points higher at 8,944.54. The Standard & Poor's 500 Index rose 3.92 points, to 1,133.20. The Nasdaq composite index gained 6.28 points, to 1,869.53.

Bond prices rose as the dollar climbed against the yen, spurred by speculation Japan's economic trouoles would not be rectified soon.

The price on the benchmark 30year Treasury bond rose 9/32 to 107even; the yield fell to 5.63 percent from 5.65 percent on Thursday.

With no major developments to trade on, investors were focusing on the profit outlook for the second quarter, which has grown more optimistic in recent weeks. Anthony O'Bryan, an analyst at

A. G. Edwards & Sons in St. Louis, was even optimistic about secondquarter earnings. "There is a more comfortable feeling about the second quarter," he said. "Earnings estimates have been lowered, so expectations have been lowered and that should make it easier for earnings to meet expectations."

'Also, we've already seen so many negative reports on the second quarter that I think the worst of the negative surprises may be behind he added.

Gains were restrained by losses in AT&T, which fell 17/16 to 56 15/16, and General Motors, which fell 1 to 66%. The U.S. long-distance phone company declined after it said its processes of Tele Companyications. purchase of Tele-Communications would dilute earnings for at least two years, GM fell as investors estimated how much the strike at the No. 1 U.S. automaker would hurt profits.
Pier 1 Imports rose 1 1/16 to 23

after the Texas home furnishings retailer said it would split its stock 3for-2 and increase its quarterly dividend 12.5 percent, on a post-split bani, a trader at First Union Corp. in straits, the central bank raised its francs, up from 6.0287. The pound basis.

(Bloomberg, AP) Charlotte, North Carolina. Traders key interest rate to 80 percent from fell to \$1.6616 from \$1.6718.

U. S. STOCK MARKET DIARY

Amex and NASD Members Vote to Merge

 By Cindy Skrzycki Washington Post Service

WASHINGTON - The owners of the American Stock Exchange have approved a merger with the National Association of Securities Dealers to form a stock and options exchange that would create a formidable competitor to the dominant New York Stock Ex-

The merger combines the NASD's computerized approach to matching stock buyers and sellers with the Amex's long tradition of using a floor auction where buyers and sellers haggle over prices. The NASD, which runs the Nasdao Stock Market, has recently become the second-largest market, eclipsing the struggling Amex in the battle for new stock listings.

The combination of the two exchanges is not expected to have any immediate effect on individual investors. But it has ramifications for how stocks may be traded in the future, what the structure of all the nation's exchanges will look like and how expensive it will be for companies

to list their stocks on the various exchanges.

The NASD also has entered into discussions

with Deutsche Borse, the German stock exchange, to explore alliances "with the important stock exchanges in the world," raising the possibility of global exchanges. International expansion for the NASD would present the possibility of new competition for the New York Stock Exchange, which now aggressively courts listings of foreign companies.

The vote on Thursday, 622 to 206, ends weeks of intense lobbying by the management of the two exchanges to push approval of the merger. Two-thirds of the voting members needed to approve the plan for it to pass; it won 75 percent approval.

The managements of the two exchanges said they had won a big victory, even though 25 percent of the members did not support the combination. "A vote of this magnitude is a potential signal of the power of this organization," said Richard Syron, chairman of the

The deal is expected to close by the end of the conduct an auction-style market.

are concerned that Russia's eco- 60 percent, effective Monday, to

year, and regulatory approvals by the Securities and Exchange Commission and the Justice Department are expected to take about 90 days. Under the approved agreement, the Amex will become a subsidiary of the NASD.

"In reality, the NASD will control things and call the shots," said James Angel, an associate professor of finance at the Georgetown Uni-

versity School of Business. The NASD, which was created in 1971 and has its headquarters in Washington, will pump \$110 million over five years into new technologies for the Amex, spend \$30 million on advertising the merged exchange and create a fund of up to \$50 million that might one day be distributed to current seat owners.

The deal was important to the NASD because it gives the exchange options trading, which it now does not offer, and more heft in competing with the dominant New York Stock Ex-

At the same time, the Amex secured guarantees from the NASD that it can continue to

Saks Suitors? The Right Fit Isn't That Obvious But all the potential acquirers are:

By Jennifer Steinhauer New York Times Service

NEW YORK - To the average New York shopper, Saks Fifth Avenue might seem like the ultimate acquisition.

There is the landmark name. Tourists from around the world flock to buy anything bearing the store's logo. A first trip to Saks in search of a bridal gown or lipstick is a rite of passage for New Yorkers who regard shopping as a serious sport.

against the Deutsche mark Friday as

ing investors on Germany, Russia's

biggest lender and trading partner.

slumped 5 percent to a 20-month

low, and bonds declined on concern

that talks with the International

Monetary Fund for a \$15 billion

loan could take months. A delay

could make it harder for the gov-

worse, the dollar will benefit"

against the mark, said Alan Kab-

"If the Russian situation gets

ernment to defend the ruble.

assian stocks and bonds fell. sour-

Russia's benchmark stock index

But for the average investment the Bahrain-based investment bank, legend, name and cachet do not so retailer.

easily equal a deal.
Saks Holdings Inc., the holding company for the retailer, said Thursday that its board, as expected, had approved a sale or merger of the company, and retained Goldman, Sachs & Co. and Merrill Lynch & Co. to assist.

An acquisition or merger of the 97-store chain would end the ownership of Investcorp International, business of their own from one.

NEW YORK - The dollar rose nomic weakness will be a drag on stem the flow of cash out of the

the German economy because of the

In 4 P.M. trading in New York, the dollar rose to 1.8097 DM from

FOREIGN EXCHANGE

1.7985 DM on Thursday. The U.S.

currency rose slightly to 142.25 year

in late trading from 142.20 yen as

traders awaited Japan's closely

watched tankan survey, due Mon-

day. It is expected to show the econ-

In a further sign of Russia's dire

omy remains in recession.

countries' close trading ties.

Russian Woes Lift Dollar Against Mark

bank actually trying to sell the retail which holds the majority stake in the

Investoro bought the operator of the Saks Fifth Avenue chain, Saks Holdings Inc., in 1990 for \$1.6 billion, and sold 20 percent of Saks to the public in 1995 for \$25 a share, or \$425 million.

Most retail analysts and investment bankers will not discuss potential buyers, largely because they

country. That helped the dollar ex-

The Bank of Japan's quarterly

survey of business sentiment will

likely show that confidence dete-

riorated because of weak economic

performance, including tumbling

exports to Asia, economists said.

Also affecting the yen are expec-

tations that a report Tuesday will

show unemployment at its highest

In other trading, the dollar was

quoted at 1.5255 Swiss francs, up from 1.5160, and at 6.0680 French

tend gains against the mark.

where except New York in recent years, rolling out Bloomingdale's in California and eyeing potential acquisitions in the Midwest, where it has no presence. International retailers are another option. LVMH Moet Hennessy Louis Vintton SA is said to have already looked and moved on, Dick-

known to them because the depart-

ment store universe has become in-

creasingly small as stores like

B. Altman have closed and others

like Macy's have fallen under the

umbrella of giant chains such as

ingdale's, Macy's, Stern's and several other chains, would appear the

biggest player in the game.
But the fit does not seem perfect.

Federated has been focusing every-

Federated, which owns Bloom-

Federated Department Stores Inc.

cession. Harrods of London is a good possibility.

son Concepts Inc. has been badly,

hammered because of the Asian re-

Also, there is always the pos-sibility that Saks executives could try to raise enough cash to buy the retailer outright.

No one knows, of course, how much Saks could fetch, but luxury retailers tend to be valued at roughly eight-tenths to one-and-a-half times revenues, which would put the price: for Saks roughly between \$1.8 bil-lion and \$2.5 billion. Few retailcompanies have that kind of cash.

INTERNATIONAL FUTURES

level since World War II.

Indexes	Most Actives	June 26, 1998
Dow Jones	NYSE VOL HIGH LINE LOSS COS.	High Law Latest Chipe Ophit
Page 1 Cor Low Cos. Indian Sept. 28 1971.25 1973.06 1943.06 + 42.77 Indian 3418.14 5427.79 3483.42 3417.94 + 53.87 Unit 207.25 728.75 728.77 728.04 + 14.87 Comp 285.26 2864.48 2849.29 2855.46 + 53.99 Stundard & Poors	AT&T 149694 59 5694 5694 -11/4 Unicom 94840 35 3494 3494 +344	Grains CORN (CBOT) \$,000 bu minimum- combs per bushol Jul 98 256h 250 250h 574 50,510 Sep 98 256h 250 250h 274 50,117 Dec 98 267h 257h 258 24 54 50,177 Dec 98 267h 257 258 274 274 143,302 Marr 99 266h 271 272 274 12445
Preference Today Preference Today Preference Today Preference Prefe	Compact 5 (25%) 29% 29% 29% 29% - Nephropact 5 (25%) 29% 29% 29% 29% 29% 29% 20% 29% 20% 29% 29% 29% 29% 29% 29% 29% 29% 29% 29	Mary 99 27615 277 277 - 274 19,445 Mary 99 282 22534 27694 - 274 3,904 Jel 99 28575 2860 28134 - 174 8,652 Sep 99 276 276 276 276 277 Est. soies 83,000 Thurs poins 84,879 Thurs open int 310,020, oil 2,567 SOYBEAN MEAL (CBOT) Jul 98 176,500 169,901 169,801 - 5,101 28,772 Sep 98 176,500 169,901 169,90 - 6,301 28,772 Sep 98 176,500 169,901 169,90 - 6,301 18,227 Oct 98 176,500 169,90 170,000 - 4,301 18,227 Oct 98 176,500 169,90 170,000 - 4,301 18,227
NYSE MAN LOW LAND COM	Nasdaq	100 bars dellacs per los Jul 98 176,00 169,00 169,80 -5.10 20,938 Aug 98 176,50 169,50 169,30 -6.30 26,702 Sep 98 176,50 169,50 169,00 -6.30 18,227 Oct 98 176,00 169,50 176,00 -4.30 13,356
Companies 579.06 574.14 577.51 +1.39 (advistings 714.22 112.24 714.29 +1.78 112.05 (advisor) 579.06 472.08 (advisor) 579.06	Pomits 139794 274, 2874, 2874, 4774, 4774, 1297,	Dec 98 178,00 171,50 171,50 5,00 42,586 Jon 99 179,00 172,50 172,60 -5,40 5,247 Est, soles 30,000 Tim/n soles 40,139 There open int 134,565, up 3,412
Nasdag Composite 197.23 1862.75 1869.53 +4.28 (massitad) 2716.8 (271.47 -0.41 1861.8 171.47 -0.41 1861.8 171.47 -0.41 1861.8 (171.47 -0.41 1861.8 171.47 -0.41 1861.8 (171.47 -0.41 1861.8 171.47 -0.41 1861.8 (171.48 171	Pomitic s 139794 2544 25946 25946 2544 15956 25946 2544 25566 25946 2556	SOYBEAN O'L. (CBOT) 60,000 Rise coxis por lib. 164 98 26.03 25.70 25.83 +0.16 20,194 Aug 98 26.03 25.70 25.83 +0.16 22,716 Aug 98 26.03 26.05 26.25 +0.26 21,274 Oct 98 26.00 26.02 26.07 +0.36 10,873 Dec 98 26.90 26.00 26.07 +0.36 10,873 Jam 99 26.00 26.00 26.07 +0.37 34,971 Jam 99 26.00 26.00 26.00 +0.32 34,67 Est. soles 37,000 70 mm soias 37,003 That's cont mid 128,757,001 LSS0
AMEX Hilps Law Last Che. 71843 7130 7170 +391	AMEX SPOR 47788 11279: 113411274: 44 Vic.8 153 4014 590 409 114 Crystag of 638 4: 4 4 4 4	SOYBEANS (CBOT) S000 by minimum-contract per bushel
Dow Jones Bond Cesa Ces. 20 Bends 105.10 +0.16 10 Utilities 102.70 4.04 10 Industrios 107.49 +0.34	SPDR	3-000 GV RESIDENT CONTROL OF THE TOTAL OF THE TOTAL OF THE THE TOTAL OF THE TOTAL OF THE TOTAL OF THE
Trading Activity	THE SALE OF SALE AND SALES	SAGG by minimum, cents ner bushel
NYSE	Nasdag Pro	Sep 98 301 202 203 484 36,798 Dec 98 31519 308 30914 -619 40,978 1 Mar 99 327 32119 3224 -514 12,963 5
Activated 1415 1417 Declined 1395 1995 Unchanged 591 505 Total stants 2511 2542 Meta Highs 411 Her Loye 175 136	Adventiced 1644 1947 Decimed 1854 7187 Inchanged 1716 1647 Total Issues 2714 5401 New Highs eff 170 New Highs 111 130	- Chartest
AMEX	Market Sales	CATTLE (CAMER) 40.000 fbs conts per fb. Ann 90 67.02 67.60 67.62 -6.36 1.630
Advention 265 265 265 265 265 265 265 265 265 265	Teley Pres. 468 com. NYSE 517.76 790.02 Amez 20.55 35.42 Nesdag 571.67 693.52	Aug 91 64.85 64.25 64.52 62.53 42.918 00.0191 64.55 64.59 64.55 62.5 24.720 00.0791 64.65 64.54 65.70 6.27 8.841 66.9 67.59 67.05 67.15 67.15 12.70 12.70 87.70 67.75 67
New Lores 21 17	In nullions.	Est, edies 10.279 Thurn solen 7,959
Dividends		Est. pales 10,279 Thurs solen 7,959 Thurs open ins 84036, off 700 FEEDER CATTLE (CALER)
Dividends Company Per Aust Rec Pay		Est, poles 10,277 Thurs solen 7,799 Thurs open int 84,836, off 700 FEEDER CATTLE (CAMER) 53,000 ibs.: durits per 8. Aug 18 72,00 70,45 70,95 -1,10 8,414 F
Dividends Company Per Aust Rec Pay IRREGULAR Assertated	Company Per And Rec Pay Stewart Enterprin02 7-10 7-24 REGULAR ACM Mingd Disr M .1125 7-6 7-17 Anna Ricc 0 .20 7-31 8-15 Alex R Rickhein 0 .215 RA 9-3	Est, pales 10,277 Thurs soles 7,499 Thurs opes int 84,836, off 700 FFEEDER CATTLE (CAMER) 53,000 Bts. cents per 8. Aug 19 72,05 70,45 71,17 4,80 1,694 001 91 77,95 70,45 71,17 4,80 1,694 001 91 77,95 70,45 72,12 4,85 117 Jon 79 72,80 72,10 72,12 4,85 117 Jon 79 72,80 72,05 72,07 4,77 353 Marry 73,45 72,87 72,87 4,77 60 Est, soles 43,41 Thurs soles 1,615
Dividends Company Per Aust Rec Pay IRREGULAR Arizona Land	Company Per Amit Rec Pay Stewart Enterprin _ 102 7-10 7-24 REGULAR ACM Aingd Dir M. 1125 7-6 7-17 Adrian Inc. 0 20 7-31 8-15 Alex & Baldwin 0 225 8-4 9-3 BEC Energy 0 47 7-10 8-3 Companion Companion Series 0 245 7-13 8-1 Communication Series 0 295 7-13 8-1 Communication Series 0 295 7-13 8-1	\$2,000 Bis. Onthis per 8. \$49 99
Dividends Company Per Asst Rec Pay IRREGULAR Ariana Land - 10 7-1 7-15 Latin Am Discov - 3019 6-30 7-15 Mangrisht Africa - 302 6-30 7-15 Mangrisht Russia - 302 6-30 7-15 Mangrisht Russia - 4697 6-30 7-13 That Fund - 1185 6-30 7-27 STOCK SPLIT Alto Nobel NV 2 for 1 split Samte & Ca 2 for 1 split Fied Am Finci 3 for 1 split Fied Am Finci 3 for 1 split, Fied Import 3 for 2 split.	Company Per Amit Rec Pay Steward Enterprin _ 102 7-10 7-24 REGULAR ACM Almod Dir M. 1125 7-6 7-17 Antho Inc.	### 12.00 70.65 70.95 1.10 8.414 1 5 5 6 70.95 1.10 8.414 1 5 5 6 70.95 1.10 8.414 1 5 5 6 70.95 1.10 8.414 1 5 5 6 70.95 1.10 8.414 1 5 6 70.95 1.10 8.414 1 5 6 70.95 1.10 8.414 1 5 6 70.95 1.10 1.494 1 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7
Dividends Ceanpary Per Asst Rec Pay IRREGULAR Arizona Land	Company	SUMD Biss. Centry per 8. Aug 19 7.000 70.65 70.95 -1.10 8.414 10.50 10.49 10.20 70.65 70.95 -1.10 10.49 10.00 10.49 10.00 10.49 10.00 10.49 10.00 10.40 10.
Dividends Cempany Per Asst Rec Pay IRREGULAR Arizona Land	Company	\$2,000 Brs. centry per 8. Any 19 7.00.7 70.65 70.95 -1.10 8.414 1.55 Sep 98 7.7.05 70.45 71.17 -0.80 1.694 1.00 Oct 98 71.95 70.35 70.95 -0.45 11.7 8.10 Jon 97 77.80 77.10 72.17 -0.79 -0.87 11.7 8.10 Jon 97 77.80 77.10 72.17 -0.79 -0.77 1.00 Ect. solen 4.141 There soltes 1.415 There open by 14.705 sp 157 HGGS-Leen (CMEE) 4.000 Brs. centry per 8. Jul 98 6.000 60.30 60.35 -0.05 9.714 AUGUS Brs. centry per 8. Jul 98 6.000 60.30 57.30 57.30 9.714 Ged 1.000 Brs. centry per 8. Jul 98 6.000 57.50 57.50 40.05 9.714 Ged 1.000 Brs. centry per 8. Feb 99 54.30 53.85 53.99 -0.25 1.550 Ect. solen 5.872 There soles 6.006 Thurn open for 28.655. of 754 Aug 99 57.20 54.66 54.77 -0.05 2.474 Ect. solens 2.120 There soles 1.831 Thirth upban for 5.068. of 94
Dividends Per Asst Rec Pay IRREGULAR	Company	SCOOL Brs. Centry per 8. Aug 98 72.00 70.65 70.95 1.10 8.414 10.00 10.494 10.00 10.494 10.00 10.494 10.00 10.494 10.00 10.494 10.00 10.494 10.00 10.494 10.00 10.494 10.00 10.494 10.00 10.494 10.00 10.494 10.00 10.494 10.495 10.497 1
Dividends Per Asst Rec Pay IRREGULAR	Company Stewart Enterprin - 12 7-10 7-24 REGULAR ACM Ampd Oldr M. 1125 7-6 7-17 Adha bac Company Security Ample Company Committed Enterprin Committe	SCOOL Brs. Centry per 8. Aug 98 72.00 70.45 71.77 4.80 1.694 1.50 1.694 1.50 1.694 1.50 1.694 1.50 1.694 1.50 1.694 1.50 1.694 1.50 1.694 1.50 1.694 1.50 1.694 1.50 1.694 1.50 1.50 1.50 1.50 1.50 1.694 1.50 1.50 1.50 1.50 1.50 1.50 1.50 1.50
Dividends Ceanpary Per Asst Rec Pay IRREGULAR Arizona Land	Company Several Enterpris — 12 7-10 7-24 REGULAR ACA Amgd Dir M. 1125 7-6 7-17 Arino lac 0 20 7-31 8-15 Alea & Baldwin 0 225 8-4 9-3 BEC Energy 0 47 7-19 8-3 Companish Energy 0 405 7-13 8-15 Enterprise Fed 0 25 6-30 7-15 Enterprise Fed 0 25 6-30 7-15 Enterprise Fed 0 24 8-1 8-15 Fest Am Finct 0 1.5 7-6 7-17 Constantible Sed M. 1037 7-6 7-37 Lig Casbord Parish Morgash Dwell 0 34 9-1 9-16 Morgash Dwell 0 30 7-16 7-30 Morgash Enterfield 0 30 7-16 7-30 Morgash Enterfield 0 30 7-16 7-30 Morgash Dwell 0 30 7-16 7-30 Morgash Enterfield 0 30 6-30 7-15 Prime Group Rith 0 3375 6-30 7-20 Morgash Enterfield 0 30 6-30 7-20 Morgash Counciled Fermination of the Sed 0 3-15 Cacable 0 3-16 7-70 8-1 (Cacable 0 3-16 8-25 6-26 General Enterfield Sed 0 3-16 8-25 6-26 General Enterfield Sed 0 3-16 8-25 6-26 General Enterfield Sed 0 3-16 9-16 Group Group Rith 0 3-16 8-25 6-26 General Enterfield Sed 0 3-16 9-16 Group Group Rith 0 3-16 8-25 6-26 General Enterfield Sed 0 3-16 8-25 6-26 Genterfield Sed 0 3-16 8-25 6-26 General Enterfield Sed 0 3-16 8-2	SUMDIES. Centry per 8. Any 99 72.00 70.65 70.95 1.10 8.414 p. Sup 98 72.00 70.65 70.95 1.10 1.644 p. Oct 98 71.95 70.65 71.17 0.80 1.644 p. Oct 98 71.95 70.55 70.95 0.47 2.750 p. Nov 98 72.15 71.40 72.12 0.85 813 p. Jon 99 72.80 72.10 72.17 0.73 0.73 p. Fed. 200 72.10 72.10 72.17 0.73 p. Ect. anion 4.141 Thurs solve 1.415 Thurs open 6.14 1.425 p. 1.10 98 6.200 60.20 60.25 0.05 6.77 p. Aug 98 32.00 57.90 57.45 +0.08 9.914 p. Oct 98 52.00 57.90 57.45 +0.08 9.914 p. Oct 98 52.00 51.00 51.5 0.15 0.15 5.68 p. Dec 98 51.95 51.00 51.5 0.15 5.40 5.80 p. Feb. 99 54.30 53.85 53.90 4.20 1.550 g. Feb. 99 54.30 53.85 53.90 4.20 1.550 g. Feb. 1.10 5.52 1.10 51.65 1.25 4.9 6.00 6.00 6.00 6.00 6.00 6.00 6.00 6.
Dividends Company Per Asst Rec Pay IRREGULAR Arithma Land	Company Several Enterprin	\$2,000 Bits. centry per 8. Any 99 72.00 70.65 70.95 1.10 8.414 p. Sup 99 72.05 70.65 71.17 0.80 1.694 p. Oct 90 71.95 70.65 77.17 0.80 1.694 p. Nov 99 72.15 71.40 72.12 0.85 113 p. Jon 97 72.80 72.10 72.17 0.73 0.73 0.73 0.73 0.73 0.73 0.73 0.7
Dividends Company Per Asst Rec Pay IRREGULAR Arizona Land	Company Stewart Enterprin REGULAR ACM Amad Olfr Activa for Company Activa for Company Sec Energy Company Sec Energy Company Company Company Sec Energy Company C	SUDUI Biss. Centry per 8. Aug 19 72.00 70.65 70.95 -1.10 8.414 6 Sep 90 72.05 70.65 70.75 -0.00 1.644 6 Oct 90 71.95 70.55 70.95 -0.47 2.750 1.644 6 Nov 90 72.05 70.55 72.17 -0.79 3.53 7 Nor 90 72.15 77.40 72.12 -0.79 3.53 7 Nor 90 72.15 77.40 72.12 -0.79 3.53 7 Nor 90 72.16 77.40 72.12 -0.79 6 Ect. soline 4.14 1.75 40 152 7 HOGS-Leen (CMEE) 4.000 80.30 60.35 -0.05 6.771 1.01 8 8400 80.30 60.35 -0.05 6.771 1.01 8 8400 80.30 60.35 -0.05 6.771 1.01 8 8400 80.30 60.35 -0.05 6.771 1.01 8 8400 80.30 60.35 -0.05 6.771 1.01 8 8400 80.30 51.45 -0.08 99.14 1.01 8 8400 80.30 51.45 -0.08 99.14 1.01 8 8400 80.30 51.45 -0.08 99.14 1.01 8 8400 80.30 51.45 -0.08 99.14 1.01 8 8400 80.30 51.45 -0.08 99.14 1.01 8 8400 80.30 60.35 -0.08 6.771 1.01 8 8400 80.30 51.45 -0.25 4.25 4.207 1.01 8 8400 80.30 51.45 -0.08 99.14 1.01 8 8400 80.30 51.45 -0.08 99.14 1.01 8 8400 80.30 51.45 -0.25 4.20 1.05 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8
Dividends Company Per Asst Rec Pay IRREGULAR Ariana Land	Company Per Aust Rec Pay Stewart Enterprin92 7-10 7-24 REGULAR ACM Amod Olir M. 1175 7-4 7-17 Adno bic 0 .20 7-37 8-15 Alex & Boldwin 0 .25 8-4 9-3 BEC Energy 0 .47 7-19 8-3 Committed Soup 0 .21 7-10 8-3 Committed Soup 0 .27 7-19 8-3 Enterprise Fed 0 .25 6-30 7-15 First Am Finct 0 .15 7-6 7-17 General Elec 0 .30 7-8 7-27 Honock Pat Sed M. 1637 7-0 7-37 Liz Golbone 0 .1125 8-7 9-4 MineStriety Apol 0 .34 9-1 9-10 Morgnish Drawith 0 .20 7-16 7-30 Morgnish Drawith 0 .20 7-16 7-30 Morgnish Drawith 0 .20 7-16 7-30 Morgnish Drawith 0 .20 5-37 7-17 Honock Pat Sed M. 1637 7-0 7-37 Liz Golbone 0 .1125 8-7 9-4 MineStriety Apol 0 .34 9-1 9-10 Morgnish Drawith 0 .20 5-30 7-15 Crunge & Rock 0 .665 7-7 8-7 Prime Grapp Rity 0 .3275 6-30 7-20 Reanoles Cas 0 .265 7-17 8-17 L'A Cobbe Cas 0 .265 7-17 Reanoles Ca	\$2,000 Bits, centry per 8. Aug 98 72.00 70.65 70.95 -1.10 8.414 60.00 98 77.95 70.55 70.95 -0.47 2.750 70.99 71.95 70.95 -0.47 2.750 70.99 71.95 70.95 70.95 -0.47 2.750 70.99 77.165 77.17 -0.79 3.57 3.57 3.77 3.77 3.77 3.77 3.77 3.77
Dividends Campany Per Asst Rec Pay IRREGULAR Arizona Land	Company Several Enterprish REGULAR ACA Ampd Oldr ALIYS 7-6 7-17 Anho box AC 7-10 7-24 REGULAR ACA Ampd Oldr ALIYS 7-6 7-17 Anho box AC 7-10 8-3 Alea & Baldwin 0 225 8-4 9-3 BEC Energy 0 47 7-10 8-3 Committed Enterprish 0 225 7-15 8-3 Enterprish 6-99 0 21 7-10 8-3 Committed Enterprish 0 25 6-30 7-15 Enterprish 6-99 0 25 6-30 7-15 Enterprish 6-99 0 25 6-30 7-15 Enterprish 7-99 0 25 6-30 7-15 First Am Finct 9 15 7-6 7-17 Genard Enter 9 0 27 7-7-7 Honock Par Sel M. 1637 7-0 7-37 Hard Amprish Daniff 9 20 7-16 7-30 Margnsh Enterfeld 0 26 7-16 7-30 Margnsh Daniff 9 20 7-16 7-30 Margnsh Enterfeld 0 26 7-16 7-30 Margnsh Daniff 9 20 7-16 7-30 Margnsh Enterfeld 0 26 7-16 7-30 Margnsh Daniff 9 20 7-16 7-30 Margnsh Daniff 9 20 7-16 7-30 Margnsh Enterfeld 0 30 7-16 7-30 Margnsh Daniff 9 20 7-16 7-30 Margnsh Parket 9 20 7-16 7-30 Margnsh 9 20 7-16 7-30 Margnsh 9	\$2,000 Bas. carris per 8. Ang 98 72.00 70.45 71.77 4.80 1.694 6.200 98 72.95 70.55 70.75 70.55 70.75

Sap 98 106.80 106.60 106.70 +0.25 13.523 Nov.98 110.10 109.25 109.90 +0.40 47.47 Jun 99 112.80 112.25 112.80 +0.55 2.251	Dec 98 N.T. N.T. 104.23 4 Est. soles: 102.517 Open Int.: 122.378 up 3.476
Est soles N.A. Thurs soles 3-349 Thurs open int 28-926, all 1-988	TTALIAN GOVERNMENT BON
GOLD (NCM)O	TTL 200 million - pts of 100 pci Sep 98 120,55 120,26 120,48 Dec 98 706,70 106,70 106,75 Est, soles: 20,734, Pres, soles: 1.
100 for oc. dollars per hoy oc. Jun 90 293.70 293.10 293.70 -0.10 37 Jul 90 293.70 293.91 -1.20 2 Aug 98 296.00 294.50 293.00 -0.10 7,530 Oct 98 798.00 294.59 297.20 -0.10 7,530	PRES. OPER SHILL TO LASE UP 1/41
Dag 00 000 ER 70730 700 10 0 10 77 5.49	52 million- pris of 140 pcz. Jul 98 94.35 94.34 94.34 Aum 98 94.36 94.34 94.35 (
Feb 99 300.80 299.30 300.80 -0.20 12,928 Apr 99 302.80 302.60 302.60 -0.20 8.027	Sep 98 94.36 94.35 94.35 t Est soles 3,256 Thus soles 5,193
Jun 99 304.40 -0.20 11,372 Aug 99 304.70 -0.20 398 Est. sales 25.000 There sales 19.846 Thu's open int 165.762, off 756	Thirs open tol 51,58% off 232 EURODOLLARS (CMER)
HI GRADE COPPER (NCADO)	51 million-pts of 100 pcs. Jul 98 94.32 94.30 94.37 L
25,000 lbs cents per lb. Jun 98 74.05 72.15 73.70 -8.55 288 Jul 98 74.95 73.20 73.85 -0.55 14,949 Aug 98 74,30 73.80 74.15 -4.50 2,459	5mp 96 94.77 94.29 94.31 U
AUS 98 74.50 73.80 74.15 40.50 22.59 Sep 98 74.95 73.40 74.15 40.50 17.898 O-1 98 74.80 74.15 40.65 1.863	Sep PP 9427 9424 9426 U
Nov 98 74,60 74.50 74.53 -0.45 1,488 Doc 98 75.85 74.00 74.73 -4.45 12.104 Jon 99 75.05 75.00 75.05 -6.45 1,447	Margo 9422 9419 9421 () Jun 00 9420 9416 9418 U
Feb 99 75.30 75.00 75.15 40.50 762 Est. spiles 18,000 Thurs sofus 12,314 Thurs open hat 64,005, alt 39	Est. soles 261,561 Tixes soles 273, Thus open int 2.452,351, off 444
III VED INCHV	BRITISH POUND (CAMER) 62,500 pounds, 5 per pound Sep 98 1,6670 1,6500 1,6554-0.0
\$200 into at. Octals per troy at, len 98 \$27.20 \$1.96 \$2 \$2.00 \$1.00 \$2.	Dec 98 1.6510 1.6466 1.6466 -0.1 Mar 99 1.6382 -0.1
Sep 98 543.00 525.50 537.90 -4.40 34.322 Dec 98 547.00 530.00 537.70 -4.70 17.790	Est. soles 8-404 Thurs soles 6,043 Thurs open tot 53,301, up 1,199 CAMADIAN TOD I AD MARKED
	CANADIAN DOLLAR (CMER) 100,000 dollors. 5 per Cdn. dr Sep 98
Est, poles 24.000 Thurs sales 22.720 Thurs open int 91,641, art 746	Dec 98 .4847 .4820 .6832+0. Mar 99 .4855 .6838 .6841+0. Est. sales 4.844 Thrus sales 5.146 Thrus open int 67,803, up 295
PLATINUM (NAMER) 10 boy 62 - dollors por hoy 62, Int 98 - 155,00 - 151,50 - 153,70 - 1,10 - 4,806 12,98 - 255,00 - 251,00 - 1,50 - 6,994 Ion 99 - 254,00 - 253,70 - 1,50 - 1,73	GERMAN MARK (CMER)
1,50 1.50 1.50 1.50 1.50 1.50 1.50 1.50 1.	175,000 marks, 5 per mark Sep 98 .5375 .5574 .5352 -0,1 Dec 78 .5584 .5567 .5580 -0,1 Mar 99 .5610 .5605 .3605 -0,1
Ref 99 353.90 -1.50 8 Est. sales N.A. Thu's sales 6.910 Thu's apen int 11,996, up 370	Mar 99 .5610 .5605 .5605 .03 Est. soies 18,910 Thurs soles 17,154 Thurs open int 78,863, off 1,434
Close Provious	PARANECE VEN (CALED)
Mikrs per melric lon Verniann (filgh Grade)	72.5 million yen, 5 per 100 yen Sep 98 7160 -7072 -7119 +0. Dec 98 -7220 -7170 -7212 +0. Mar 99 -7308 -7285 -7308 +0.
replace, extractors fluidily extract)	Mar 97 . 7308 . 7283 . 7308 - 0. Est. sukes 23,450 Thurs poles 28,543 Thurs open int 108,653, off 7,585
-crwent 1637.00 (438.00 1651.00 1657.00	SWISS FRANC (CALER) 125,000 Runca, 5 per June
pot SZTV; SZZV; SZ4V; SZ5V; 	Sep 98 4464 4580 4605 0.0 Doc 98 4722 .6454 4464 -0.6 Mar 99 6721 -0.0
gol 4075.00 4385.00 4400.00 4410 orwerd 4440.00 4450.00 4465.00 4475	Est. sales 13,429 Thurs pales 20,924 Thurs open int 74,642 up 5,152
got 5790.00 5800.09 5840.00 5850.00 convert 5690.00 5700.00 5760.00 5770.00 Dec (Special High Gende)	MEXICAN PESO (CMER) 500,000 pesos, \$ per peso
got 1001,00 1002.00 1002.00 1002.00 orward 1076.00 1027.00 1027.00 1020.00	Sep 99 .09017 - 00 Est, acies 3,723 Thurs asies 5,427 Thurs open int 42,875, up 1,387
High Low Obje Chipe Opint	3-MONTN STERLING (LIFFE) C500,090 - pix of 100 pcl Sep 10 92 000 92,000 92,070 Un
Financial 25 T BILLS (CMER) 1 million- pix of 100 pcs.	
lec 98 94.98 94.96 94.97 Unch. 3.347 lec 98 95.01 40.07 209 Acr 99 95.00 Unch. 7	Mar 99 92,300 92,240 92,700 —6 Jun 99 97,530 92,460 92,530 U/ 50,979 92,750 97,460 92,750 —6 Dec 99 92,700 92,230 92,800 —6 Mar 90 92,900 92,000 93,005 —6
nor ++	Est. states: 121,061 Pres action, 11
YP TREASURY (CROT)	Presi open int. 959.918 of 4736 S-MONTH EUROMARK (LIFFE)
100,000 prin- pris 4, 640% of 100 pcf op 98 109-43 109-27 109-36 + 01 236,014 lec 98 109-41 109-37 109-27 + 91 842	DM1 million - pri of 100 per
41. adies 30,000 The's soles 37,027 Tays open int 243,574, off 5,556	Sep 98 96.335 96.310 96.320 +0. Dec 98 96.095 96.065 96 080 +0.
e yr Yseasury (CBOT) 100,000 prin- pri & 32nds of 100 pci ap 91 113-26 113-14 113-24 + 02 447,638	
Agr 99 113-21 + 67 124	North 79 14 115 12-174 17-775 - 60 Jun 79 15 1875 151.55 153.65 - 60 Sep 99 15.785 151.755 151.765 - 60 Dec 19 15.660 151.855 151.655 - 60 Jun 80 155.650 155.510 155.525 - 60
ist, spies 75,000 Thers spies 97,694 Thers open int 492,012, off 2,382	Fal. soles: 202.0e9. Prev. soles: 26 Prev. open kg:: 2,300.442 up 12.4
15 TREASURY BONDS (CBOT) à pd. 5100,000 pp. 8. 12545 at 100 pc) 4p 95 123-23 122-26 123-17 + 07 946,613 4pc 98 123-13 122-30 122-27 + 07 198,048	LUANTU MENE IMATIEN
Agr 99 123-01 + 98 2,734	FF5 million - pits of 100 pcf Jul 98 N.T. N.T. 96.41 = 0 Aug 98 N.T. N.T. 16.36 + 0 Sag 98 98.38 96.30 98.31 - 0
st spies 470,000 Thu's spies 512,341 hers open in 1,171,090, up 2,905	Marer 9600 2574 9577 + 0
DNG GILT (LIFFE) 50,000 - pix & 32nds of 100 pci on 56 105 64 106 15 100 64 it 15 124.777	Est soles: 18,430 Open Int.: 234,247 up 2,095
2006 641.1 (LTFFE) 20,000 - 04.5 (20xds of 100 pcl ep 98 106 64 106.18 100.44 — 0.15 (24.777 lec 98 6.17. 107.1 00.85 — 0.15 0 classified 42.344. Prev soles: 53.142 rev. open left. 126.777 off 430	2-MONTH EUROLIRA (LIPPE)
	Dec 96 14.000 94.000 95.070 +0.0
ERMAN COV. SUND (LIFFE) M358,000 - ph of 100 pc 09 98 100.81 100.27 100.44 +0.01 70,200 NC 98 N.T. N.T. 107.84 +0.97	TTL 1 million - Ols of 100 pcf Sup 99 93,570 93,550 93,570 + 01 Dec 19 14,000 94,000 94,010 - 90 Mar 49 94,000 95,000 75,770 92,40 95,340 - 01 Sup 97 93,770 92,40 92,500 Un Dec 97 93,600 93,410 95,430 Un
st soles: 9,882 Park soles: 8,948 hey, open int.: 78,970 off 147	Est. sales. 46-677. Prey tales: 74.0 Prev. openial. 696-337 eff 1.329

ACONO gol, cents per gol Jul 98 25.25 28.30 28.65 Aug 98 40.20 39.30 39.55 Sep 98 40.20 39.30 39.55 Sep 98 40.50 40.85 40.85 Nov 98 44.50 40.75 40.75 Dac 78 45.50 45.10 45.10 Jul 99 46.90 46.10 46.10 Est, soles N.A. Thura soles 44.141 Thurs open for 205,849, up 674 38.50 39.30 47.85 42.30 43.75 45.70 46.10 LIGHT SWEET CRUDE ONMER!
1,000 bit. dollars per bit.
Aug 98 14.30 13.86 14.11 +
5ep 78 14.57 14.57 14.68 +
0.0 98 15.25 15.96 15.10 +
No 98 15.25 15.96 15.10 +
No 98 15.28 15.40 15.42 Dec 98 15.96 15.76 15.79 Jun 99 16.23 16.04 16.04 Est. solies 1 Thurs solies 124.324 Thurs open led 471,056 up 1,324 Hum blu's, 8 per mm blu 2.450 2.300 2.430 2.450 2.350 2.430 2.450 2.350 2.450 2.475 2.360 2.455 2.490 2.490 2.450 2.460 2.575 2.530 2.460 2.575 2.530 2.892 2.740 2.765 UNLEADED GASOLINE (NMEE)
40.00 got, cents per got
lei % 44.40 45.50 45.50 1.
Aug 98 47.40 45.50 45.50 1.
Seg 98 47.40 47.5 47.5 47.2 4.
Seg 98 47.40 47.5 47.2 4.
Det 98 45.30 47.77 47.12 4.
Lon 99 48.30 47.77 47.17 47.17 47.
Est, soles M.A. Thay's coles 42.25 that's open inf 101.257, off 101.000 0,0030 78.282 0,0030 584 0,0030 7 BRENT OKL (LPE)
U.S. GORGES per born
Aug 91 11.40 12
Sep 98 11.96 12
Oct 98 14.30 13
Nov 98 14.51 13
Dec 98 14.80 14
Jan 99 14.82 14 SACEAT OR UPE | U.S. GORRES DET BOTTON | LOS AUGUSTO DE BOTTON | LOS AUGUSTO D Uncs. 169,093 9 010 130,458 8 005 125,700 Unch. 109,303 8,010 \$1,054 8,015 90,278 8,015 76,514 Stock Indexes FTSE 180 (LIFFE) Est. soiet: 52,908 Open int.: 82,723 up 960 Commodity Indexes

BHP Posts Since 1923 MELBOURNE - Broke

MELBUUK C 1570k Hill Pty. on Friday 1270 To only its second loss in a century only its section off a massive after writing off a massive belief Australian doffars (5). billion) in its 28507 value. The steel mining 27% o good, a pillar of the Australia group, a pullar of the Australia conomy, took a deliberal punge into red trik after de punge into red trik after de punge to write off alarmost coing to write off alarmost much of the value of its global much clouded by Australia autook clouded by Asia s omes storm.
The massiff med out BHP : not contains before dollars for the co hanked among the miss company and 16.25 or 15 to second in BHP

istary. The company (14) posed a loss in 1023 But far from The name of maket the board's decision in por more received Salaris 17 sme struggling hastresses as a seen by some investors as a hadge of course BHP's share traces to the close at 13.76 collars. cents from the Thirty BHP cheeses consister fur ther, saying it would be a line of a billion dollars worth 100 221 canied assets 1 (C.T. ral years. The works the mealistic. and BHF

gave director of the second Greene McGregori The untedicted, the highest in corporate Australian in it will bolster BHP's attended profes by 10 million delicer in the current financial 1921 and is about 130 million at the second the following year, BHF hisaven and and agnificant decesion for company but one that has a first solmely vital decreases ake so we can get the former to order and get on water the to-BHP's acting chief executive //

ТОКУО — Лардей Кайда, held at final share has a fina pen's largest and most and market hokerages, Yamanchi, Severities laded to draw enough 5502---to the meeting to allow a series gezolatus tpe combrati. Following the Unusuality 107 - 25. contentions meeting. \ 27742.577. 23 counce will pass to nouse it in it.

May telast to one dissolution. the contemb investigation have VENEZUELA

Continued from Page 11 then properly and started building to no bedroom house of cinderiole. oudand scripmenal Water is obli-By the nighborhood; stand...

an floor and neighbors have. quivalent description of the start of the st in the part they could afford 10-man of shinner a day. Now, they speakes not a day and feel speakes and and feel

M. Mint Strike A Commed from Page 11 Market as it runs low on control of the latest

makers may follow pics. he said.

1000 150

EUROPE

thile carrying two felms to the rigid cap. These is to critical up, is precariously for construction on which a south for constructions and this clude it to construct its acrosmatal this clude its end of the construction of the felms and the construction or the felms due to spoofery are piece of a spoofery and the pushed on the construction of spoofery
spoofery
a be pushed op to 1851
2 London dealer.
2 London dealer.
2 London line, the most personal in the long personal in the

head, a shape constitution of the month irange of the caspian Sea. A low term of the caspian Sea. Mickey Mouse syle ine tubular element of the ax to gother 22-22-20 (il is 100 lok Talke all Lorents 242 francs

Horse but airness the with the ground 200ps The earliest The with morning. --d-upeds dancage poors and he free connect him and the continues in ne capitals a fami of Lorenz set and behave no me Fares And the pain of the land and the state of t



Russia Raises Rates To 80% as Stocks Dive

MOSCOW - Russia raised key interest rates to 80 percent from 60 percent on Friday to stem a hemdown 5 percent to a 20-month low and bond yields to records.

The central bank raised its refinancing rate, the rate that banks lend to other banks, and its Lombard

OPEC's Cuts Give Lift to Oil Prices

NEW YORK - Crude oil prices rose Friday on perceptions that nutput cuts pledged by OPEC and other producers were big enough to reduce inventories and stave off a return of the 12-year lows reached earlier this month

Crude oil for August delivery was up 15 cents to \$14.18 a barrel at midday on the New York Mercantile Exchange. Prices are 26 percent lower than they were a year ago. August Brent crude rose 20 cents to \$13.4t a barrel on the International Petroleum Exchange in London.

The Organization of Petroleum Exporting Countries and other producers pledged to cut a total of 3.2 million barrels from daily production after prices in New York fell to \$11.42 a barrel on June 15, the lowest since 1986.

Abe Glass, a trader at Spear Leeds & Kellogg in New York, said the OPEC agreement had halted the

But some traders remain skeptical that output cuts will be enough to end a supply glut because some members of the petroleum cartel have a history of cheating on

Friday, June 26 Dolly prices in local currencies.

Amsterdam

WORLD STOCK MARKETS

High Low Close Prev.

| 117.70 | 114.60 | 117.70 | 114.60 | 117.70 | 114.60 | 117.70 | 114.60 | 117.70 | 119.80 | 75.90 | 72.90 | 122.90 | 122.90 | 122.90 | 123.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124.90 | 124

20990 21240 21950 24890 25315 25675 9610 9780 10060 7450 7550 7550 7105 7765 7490 37700 39300 37720 19480 20000 19480

Mannesmonn Metaligesetschri Mutro Munch Rueck R Proussing RWE RWE-DEA

rate, charged on central bank loans to commercial banks, effective Monday

Ytelds on ruble-denominated orrhage of cash from assets that treasury bills and bonds soared pushed the benchmark stock index above 70 percent, from about 50 percent last week.

The yields have been pushing at this for a while and the results of trading today made it essential." said Andrew Crawford, head of deht research at Nomura International in London. "Things continue to work not to Russia's favor."

The recent crisis of confidence and the high cost of borrowing snuffed out prospects for economic growth this year, said Deputy Prime Minister Victor Khristenko.

The government earlier assumed gross domestic product would grow percent to 2 percent this year after growing 0.8 percent last year, the first expansion since the breakup of the Soviet Union in 1991.

The government said it needed a loan of \$10 billion to \$15 billion to regain investors' confidence and prevent a devaluation of the ruble. Central bank reserves currently are about \$16 billion.

Russian stocks dropped also because talks on an International Monetary Fund emergency loan to the Russian government could take months to complete, analysts said.

The Russian Trading System in-dex fell 5 percent to 163.99, its lowest level since Oct. 8, 1996. 'Some investors seem to have built up a lot of hopes for a massive, immediate cash injection from the IMF," said Sonja Gibbs, chief strategist at Nomura International in

London. "Those expecting more may be rushing for the exit. On Thursday, the IMF approved the release of a \$670 million payment of an existing loan, though that won't be enough to ease the government's cash shortage,

Metro AG to Sell Computer Unit?

Compiled by Our Staff From Disputches BONN - The German retailing giant Metro AG plans to sell its computer retailing unit Vobis for more than 1 hillion Deutsche marks (\$556 million), according to published reports

The German newspaper Die Welt reported that Metro was holding talks with CSH Electronics and Ingram Micro Inc., quoting sources close to both of those companies, which are based in the United States.

Die Welt also cited industry sources as saying that other companies, including Gateway 2000 Inc., were interested in acquiring Vobis hut were deterred by the price that Metro was asking. A Metro spokesman dis-

missed the reports as speculation and refused to comment Vobis, which has 4,300 em-

ployees, had sales of 4.6 billion DM in 1997. (AFP AFX)

France and Spain to Link **Markets for Derivatives**

Computed in Our Staff From Desputers

PARIS - France's futures and setting up an electronic link with Spain's derivatives exchange, marking a new step in the battle for business after the introduction of a single currency.

The French Matif and Monep markets and the Spanish MEFF said that "Euro Globex," the new link, would allow members of each market full access to the products of the

Interest rate contracts on the MEFF's Renta Fija, which handles Spanish rate futures, and the Matif will be linked by the end of the year, and the arrangement will then be extended to the stock futures mar-

The creation of Euro Globex reflects "the need for cooperation between futures markets with the iniroduction of the curo," said Jean-Francois Theodore, chairman of the Matif and of the French stock mar-

Bourses Francaises.

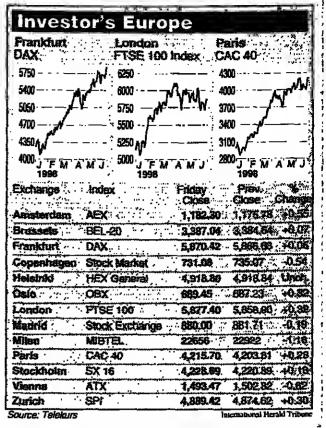
It "will help develop liquidity on options exchange said Friday it was benchmark euro products which will be easily available at the best

price," he added. The MEFF is Europe's fourthlargest futures market, with more than 35 million contracts changing hands last year.

The German futures market, the DTB, and the Matif already have a similar agreement that is scheduled to take effect in the autumn and is intended to lead to a virtual merger of the two in 2001,

The Matif announced last week that it would start offering British government bond contracts, known as gilts, next month to meet demand from British operators attracted by

its electronic trading system. Continental markets have been increasing cooperation in recent months, partly to get ready for the euro, but also to take advantage of their electronic trading systems to win husiness away from London's ket regulator, the Societe des futures market.



Very briefly:

Daimler-Benz AG will acquire a 51 percent stake in the German sports car specialist AMG GmbH by next year for an

• Iberia Lineas Aereas de Espana SA said it earned 10 billion pesetas (\$65 million) in pretax profit in the first five months of 1998, a more than 10-fold increase over last year, helped by growing demand for air travel and hy the state-controlled airline's cost-cutting.

 Assicurazioni Generali SpA, Europe's third-largest insurer, said it was close to buying Swiss Bank Corp.'s Banca Svizzera Italiana unit for as much as \$1.3 billion, in a hid to expand its money-management operations.

Vosslob AG, a German maker of lighting fixtures and railway equipment, said that it has decided not to make a counterhid for VAE AG, leaving VA Stahl as the apparent winner of a bidding war for the Austrian maker of railroad

 UBS AG, Europe's higgest bank, said first-half earnings were higher than it expected and said 1998 profit may also be above estimates, after the merger of Swiss Bank Corp. and Union Bank of Switzerland. Reuters, Bloombers

Pressure Builds in Cola Wars Over France

Agence France-Presse PARIS - PepsiCo Inc. said Friof France if the authorities allowed

its arch rival, Coca-Cola Co., to huy the orange-drink maker Orangina. Coca-Cola announced in December that it had reached an agreement to huy Orangina from the French group Pernod Ricard SA for almost 5 hillion francs (\$829 million).

But PepsiCo, which relies on Orangina to bonle and distribute its France could be ousted altogether products, except in shops, on the French market, said Friday that if the authorities allow the sale to go through, PepsiCo will be sbut out of

If the Economy Ministry gives the green light to this transaction." day it would be effectively shut out said Charles Bnuaziz, managing director of Pepsi-Cola France. will find ourselves overnight without a distributor for our products in cafes, hotels, restaurants, service stations, etc." He said the company would "be forced to pull ont of the

nonhousehold market" in France. In the longer term, a "significantly weakened" PepsiCo in

from the French market, he said. The dispute over Orangina is the latest skirmish in a long-running battle between the two U.S. cola giants in France.

Orangina bad been Coca-Cola's French distributor until 1990, when the U.S. company took direct control of its French operation, resulting in a six-year legal battle over Coca-Cola's alleged unfair market practices. In January 1997, Coca-Cola was ordered to pay a 10 million franc fine, Then last year, in another blow to

Coca-Cola's pride, Orangina ousted Coca-Cola's Fanta brand from 600 McDonald's restaurants in France.

The French competition authorities are examining the planned Orangina sale and the government is expected to make a decision before

34.00 34.00 28.50 28.35 67.25 66.25 66,60 65.75

1725 1734 349 351 1035 1037 1265 1218

Seoul

High Low Class Pres Sydney 6.85 111.13 9.96 12.85 30.84 6.87 12.85 30.84 6.87 12.85 30.84 6.87 12.86 22.61 18.7 12.86 22.61 18.86

1.35 1.36 4.75 4.78 2.98 2.93 3.29 1.22 5.75 5.70 6.95 7.17 3.70 3.72 2.71 2.61

Market Closed

The stock market in Tel



Europe's electricity markets are being opened for competition. Bayernwerk, our energy subsidiary, is taking advantage of this valuable opportunity.

Kuala Lumpur

Betsu Index: 856.66 Previous: 811.71 7305 7730 7245 7270 6350 8400 1190 13280 13350 190 13280 7330 7870 760 1790 1785 2330 9400 13310 1970 1810

38,00 40,00 44,00 55,95 51,75 24,80 51,35 38.00 40.10 46.80 52.00 57.50 57.50

37.45 39.45 45.90 56.0 49.00 36.50 51.25

VIAG. Creating enduring value.

MIB Telemetricor: 22454.00
Previous: 22972.40
Previous: 22972.40
1400 22959 23950 24559
1835 104.00 107.05 10700
1000 10000 10000 10000 10000
1000 10000 10000 10000
10000 10000 10000 10070
1000 165100 166500 167600 16760
15755 2460 3510 3555 3465
1450 1585 1585 1650
1460 1956 1585 1650
1460 1956 1585 1650
1790 1790 7790 7790
1795 10300 10375 10790
1795 10300 10375 10790
1795 10300 10375 10790
1795 10300 10375 10790
1795 10300 10375 10790
1795 10300 10375 10790
1795 10300 10375 10790
1795 10300 10375 10790
1795 10300 10375 10790
1795 10300 10375 10790
1795 10300 10375 10790
1795 10300 10375 10790
1795 11000 10375 10790
1795 11000 11000 11000
1795 11100 111500
1795 11100 111500
1795 11100 111500
1795 11100 111500
1795 11100 111500
1795 11100 11100 111500
1795 11100 11100 11100
1795 11100 11000 110000 10000
10590 12700 12330 12715
1795 10400 10660 10590 24400 100290 10790 10790 169000 169000 169000 11520 7935 10715 10715 59000 23200 11490 23200 11490 23200 11490 23200 11490 23200 23200 23200 11490 23200 11490 23200 11490 23200 11490 23200 11490 23200 11490 23200 11490 23200 11490 23200 11490 23200 11490 114 PX 50 index: 465.80 Previous: 466.10 2.43 253 2.48 599 904.10 889.20 54.10 66.10 66 5570 5520 5810 1060 1106 1079 450 455.60 455.20 72.90 73.41 76.16 Csia; Sportteina CEZ Csia; Plaviso Cololodovny Komercni Brito SPT Telecom Unipetrol

12.60 478.50 478.50 538 260.40 11670 11975 364.90 643.90 149.4 245.20 24 12.00 5.80 6.10

Giaso Welicome
Granda Group
GRE
Granda Group
GRE
Grus
Grus
Hollan
Hoys
HSBL Hags
Holland
Hol To Our Readers Stock prices from Istanbul 975 8250 2500 3800 1300 1625 16300 1925 7450 6500 3975 3000 Stock lader: 771.88 Previous: 778.87 490 424 425 494 496.51 495 495 496 496 8.76 8400 84000 8000 84000 84000 8001 84000 84000 8001 8

ter

Mi

Be

Pr€ Оe COL

are

dis

ser

wil

bus

(an

ıca nev

> 10 I in t

| Compared | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 1997 | 199

continued from Page 11 F

ther properly and started building their at no-beforous house of conderblocks, for a mod and scapmental. Water is obtained to comer of the loase serves as a toillet.

By the analytochood's standards, we have the ferreiras are well off, we have for any neighbors have. To a same alondard, bring home the standard and the husband, a sparation about 55,440 a year.

In neither are not afford decent meeting a standard they need it, they say, in the part are enting less, as the part are enting less, as the part was could afford to east the part hey could be part to the part GM: Mint Strike Alrea Combacd from Page 11 and the state of the said.

Th 0. 7. 7. 20th Jun 17 25th 18 25

The workers are coi-

Ja

TOE

ven. If

3C 5 TF

with t

13 LA (10)

(inti M: lab

cizn cu

win th

CETAINAL the th 12.62

ended

TAI

AZIOCT.

HUSTON

SAMPLE maker gravite

Tix

STATE OF

war.

incing.

ice li

Yarna

שלושיעיטן

ASIA/PACIFIC

while carrying two felnes to on its rigid cap. There is to table to n which a goal is to carried up, is precariously like a consistency of all this cludes as the capability of all the seldes as the capability of the capability of the property of the feline dust spoofery. to bushed up to dealer. cartoon line, the most put the north Iranian steel Caspian Sea. A lion's let Micket Mouse syle. Mickey Mouse style to beast looks like a beast looks l

in its teeth. Anached with the state of the tabular elements

of the ax to gother downing a boar 1

A 23 DOUGHT B O ONE I Mar all Lorestan & Horse by a state of the the original content of the or annual cate with the growing of the carlos The carlos with the large with monary and the large with monary to the large with the la with mountain gr adripeds dancing a boars and the bronze: bos é or continue ne capital a Page Longing Longing and appoint the second to Faring

The second of the second

en e : : Te entre un



್ಟ್ರೀಂ ಕ್ಷಮಿಕ್ಸ್

化化二代烷基

100

1.00

and the second second

المتعلقة أأوا

 $|\psi_{ij}(z)|^{\frac{2n-2}{2n-2}}$

500

14. 12.22.1

*

معتنف مين معتنف مين

المبتني المالية

12.54

6.5

7. 3.2

and The Res

1000

the first that areas.

you to the state of

BHP Posts First Loss **Since 1923**

MELBOURNE - Broken

Hill Pty. on Friday reported only its second loss in a century after writing off a massive 3 billion Australian dollars (\$1.81 billion) in its asset value.

The steel, mining and oil group, a pillar of the Australian economy, took a deliberate plunge into red ink after deciding to write off almost a tenth of the value of its global asset base to reflect a tough outlook clouded by Asia's economic storm.

The massive writedowns wiped out BHP's net earnings before one-time items of 1.3 billion dollars for the year ended May 31, leaving a loss on of 1.47 hillion dollars.

It ranked among the biggest losses ever reported by an Australian company and was only the second in BHP's 113-year history. The company last pos-ted a loss in 1923.

But, far from frightening the market, the board's decision to put more realistic values on some struggling businesses was seen by some investors as a badge of courage.

BHP's share prices rose to close at 13.70 dollars, up 19 cents from the Thursday close.

BHP cheered investors further, saying it could sell about 2 billion dollars' worth of unwanted assets a year over several years. "It would not be unrealistic," said BHP's executive director of finance, Graeme McGregor.

The writedown, the biggest in corporate Australian history, will bolster BHP's after-tax profits by 70 million dollars in the current financial year and hy about 130 million dollars in the following year, BHP said.

"It is a very, very serious and significant decision for the company but one that's an absolutely vital decision for us to take so we can get the house in order and get on with the future," said Ron McNeilly, BHP's acting chief executive. (Reuters, Bloomberg)

By Sandra Sugawara

Washington Post Service TOKYO — Kazuaki Ishii, a 48year-old manager of a medical supply company, was watching closely Friday as the yen bounced against the dollar, which was around 142 yen. If the dollar gets a hit cheaper, he's ready to pluck down \$7,000

Until recently, it never occurred to Mr. Ishii to put his savings into for- worried that an increasing number of

it to dollars.

said. "I want to see bow it goes." With the weakening yen threatening to destabilize currencies throughout Asia and prolong the re-

thorities have been under intense global pressure to keep the yen steady. They have had to fend off increasingly skeptical currency speculators, who have been pushing the worth of his yen savings and convert yen down, despite a joint U.S. and apanese intervention to prop it up. Now Japanese anthorines are

eign currency or foreign assets. But Japanese individuals, like Mr. Ishii, with the yen, the stock market and the and institutional investors, such as economy falling, Mr. Ishii is ready to take the plunge. "I am planning to invest in dollars pretty soon," he domestic insurance companies, are preparing to flee the yen as well.

Members of the ruling Liberal

Philippine Airlines

GATE 1

yet come up with an effective plan,"

Mr. Morita said the problem is that their options are limited because they cannot do anything that would appear to be backtracking on stock investors have lost money in Prime Minister Ryutaro Hashimo- the Tokyo markets over the last to's efforts to deregulate the financial markets and transform Tokyo into a world financial center.

Most analysts said it would be

Democratic Party have been dis-cussing the problem, although they ment to reimpose currency restricsay they have no intention of turning tions, so they do not expect that to back the deregulation clock. "Un- happen. But they warned that if Jagion's economic crisis, Japanese au- officially LDP members are dis-, pan does not move quickly to recussing measures to control the out- structure its financial systems - so flow of currency, but they haven't that investors can get a reasonable return on their investments — the said Minoru Morita, a political com- outflow of yen could surge, sending the yen down further.

Right now, individuals can get only about 0.25 percent interest on regular savings accounts. Most year. Some Japanese investment magazines have warned that holding yen might be a bad investment because the dollar's exchange rate could climb above 150 yen.

Recent anxieties about the stahility of Long-Term Credit Bank of Japan have raised anew fears about the stability of the Japanese financial system.

Institutional investors, seeking better returns, are sending more of their money abroad as well. The five largest insurance companies plan to increase their investment in foreign bonds, mainly U.S. Treasury bonds, by \$12 billion this year, according to Nihon Keizai Shimbun, Japan's leading financial newspaper.

The paper also said that in April, the sales of mutual funds by foreign companies here surpassed those of Japanese companies. The performance of foreign mutual funds was helped hy the strength of the dollar and the health of the U.S. and European stock markets.

Japanese funds, by contrast, were hurt by the poor performance of markets here. As a result, Japanese mutual funds in May increased the amount of foreign-currency denominated assets they hold to a six-year high of \$31 billion, according to the Investment Trusts Association.

From April to June, there was a senior economist with Nomura Re-search Institute. If this pace con-tinues, he said, the amount of capital fleeing Japan could surge to \$107 hillion this year, be said.

Jesper Koll, Tokyo-based econ-omist with J.P. Morgan Securities, estimates that total purchase of foreign securities by Japanese asset managers will hit \$163 billion in the next 12 months, compared with \$46 billion over the last 12 months. At those levels, capital outflows will be a dominant force driving the yen lower, Mr. Koll said.

Bot others are skeptical that a great number of Japanese will risk sending their savings overseas.



Very briefly:

• Interbrew NV of Belgium, the world's fourth-largest brewery, agreed to invest \$250 million to tap into South Korea's \$3billion beer market, its Korean partner said. Interbrew will use the money to buy a 50 percent stake in a joint venture with Oriental Brewery Co., which is South Korea's secondbiggest brewery.

 Export-Import Bank of South Korea, a government bank, said it would lend \$1 billion this year to some of the country's leading industrial groups in a hid to spur exports. It was the first such trade financing plan in nine years. Korean exports fell in May for the first time in five months.

• Moody's Investors Service Inc. was threatened with a lawsuit by the Central Bank of the Philippines over a report alleging that some of its bank examiners are corrupt, unless the U.S. credit-rating company provides evidence to back its findings. A Moody's report contended that the central bank needs more teeth to enforce regulations.

high level of capital outflow from • Moody's cut its ratings for four subsidiaries of Japan's Japan," said Masayuki Kichikawa, Daiwa Securities Co. and warned further downgrades may follow. The agency cut senior long-term debt ratings of four units, Daiwa America Corp., Daiwa Europe Bank PLC, Daiwa Europe Finance BV and Daiwa Singapore Ltd.

 Proton Bhd., Malaysia's largest carmaker, said profit for the year ended March 31 fell a larger-than-expected 41 percent to 440.6 million ringgit (\$111.1 million) because of lower sales, as consumers stopped huying new cars in a slowing

 Korea Development Bank said ownership for ailing Kia Motors Co. would be decided by the end of August through international hidding. Kia earlier said Ford Motor Co. was interested in increasing its stake in Kia. Ford and its affiliate. Mazda of Japan jointly bold a 17 to 18 percent stake.

 Parmalat Finanziaria SpA, an Italian food company, increased its offer for Australian dairy company Pauls Ltd., to 5.30 Australian dollars a share, valuing the company at 436.5 million dollars (\$262 million).

The Last Straw: Yamaichi Fails to Fold

ufacturing technology.

brokerage Yamaichi Securities Co. beld its final sharebolders' meeting Friday, spending nearly five hours burse clients who had account balapologizing to distraught investors. But after 100 years as one of

Japan's largest and most influential hrokerages, Yamaichi Securities failed to draw enough shareholders to the meeting to allow a vote on dissolving the company.
Following the unusually long and

contentious meeting, Yamaichi executives will have to consult with financial anthorities on how to pro-

we are currently investigating how yen (\$1.89 billion) in hidden losses.

Yamaichi would continue to reimances with the brokerage.

Compiled by Our Stoff From Dispotches

agreement Friday with International

Business Machines Corp. to license

some of the American computer

maker's most advanced chip-man-

The agreement is seen as a key

TAIPEI - Acer Inc. signed an

were at the meeting, a Yamaichi of-ficial said. If they side with the company, shareholders can file a petition with a court asking it to put Yamaichi into liquidation, the official said.

Yamaichi, Japan's fourth largest brokerage, closed its doors on March 31 in the country's biggest husiness collapse since World War II fol-"With regard to our dissolution, lowing the discovery of 270 billion

STARTING OVER — Philippine Airlines pilots reporting to work Friday in Manila after their union ended a three-week strike that had been ruled illegal. They were being treated as new job applicants.

world's largest computer maker, will transfer its 0.25 micron chip

technology to Acer's chip produc-

"We think a significant turn-

tion unit, Acer Semiconductor Man-

around may take place next year," when the 0.25 micron technology

Acer to License IBM Chip Technology

ufacturing Inc.

step toward turning around the Tai- becomes the main chipmaking pro-

wan computer company's money- cess used by Acer, said Stan Shih, losing microchip unit. IBM, the Acer's chairman.

Yamaichi's president, Shohei Of the 1.18 billion shares held, the Nozawa, said the brokerage had a year ended in March and liabilities ending a nine-year link. exceeded net worth by 22.5 billion

> "It was enormously regrettable term," he said. "We deeply apologize to you shareholders."

The meeting ended with a vote to approve the earnings report and the appointment of three new auditors. (AFP, Bloomberg)

The Acer unit will use the new technology in its production of computer processors, graphics chips and other chip sets. The company plans to begin mass-producing chips with the technology during the first quarter of 1999.

Acer and other chip manufacturers have suffered from a global price decline. Prices of dynamic randomaccess memory chips, widely used in personal computers, have tumbled by more than half in the last six months.

The Asian financial crisis has to proceed," Yamaichi said in a Of the shareholders who did at- able to sell their products at lower TOKYO - Japan's fallen statement distributed after the meet- tend, many expressed sorrow and an- prices after those countries' currenyamaichi would continue to reimburse clients who had account balWida, 70, "but we suffered most."

ing. It added that in the meantime ger. "We supported Yamaichi by not cies plunged. Acer's chipmaking selling their stock," said Toyoyasu unit posted a loss of 5 billion Taiwan dollars (\$145 million) in 1997.

This month, Acer paid \$120 million to buy out Texas Instruments owners of only 473 million shares net loss of 460.3 hillion yen in the Inc.'s stake in its chipmaking unit,

The president of Acer Semiconductor Manufacturing, Alex Cheng, said he hoped for further joint dethat we left these results for the last velopment with IBM, saying the term," he said. "We deeply apol-parmers would "continue discussions to explore other areas for potential cooperation."

But IBM said it was not tempted to hny a stake in the husiness. (Bloomberg, Reuters)

ACROSS

6 Innocent

1 Conduct, in a

10 Pasta or potat

14 Saint in Italy

21 'Hood

23 The

22 Edit. as a

25 The horologis

27 Em. for example

28 Song word after "Aba"

Introduction to

36 Blue book filler

37 Razor-billed bird

30 Cell division

33 Disinfest

40 Stampeder 42 Gray wolf

43 Pantry pest

44 The inept furniture mover

19 Showy flower

86 "The Last

88 Giggled

91 Longer in the

92 The used-car

94 The mama's boy

97 Initials since

Magi, with "the"

101 "Hoo" preceder

102 More duttered

110 Showstoppers?

112 One of TV's

120 The munitions expert ordered

123 Crow's home

125 Bit of fast food

127 He was a real

128 Channels

129 Pack

130 Like

nunctuation

124 Ham's

1933

also hit Acer, as competitors in South Korea and Japan have been Rupiah Slides for 3d Day

SINGAPORE -- The Inde ah fell for a th revised bailont agreement with the International Monetary Fund failed to bring confidence back in the country's shattered econ-

The rupiah fell 1.2 percent during the day, but closed unchanged, at 14,950 per dollar. Other regional currencies fell, tracking the

"The IMF has only reaffirmed the desperation the Indonesian economy faces," said John Body, the head of foreign exchange sales at ANZ Investment Bank in Singapore. "An economic revival is not going to happen quickly."

Indonesia and the International Monetary Fund agreed Thursday to revisions for the country's \$43 billion international bailout, focusing the new plan on ensuring food supplies to the poor and fixing sick banks.

The IMF has now sharply lowered its forecasts for the Indonesian

ADVEBTISEMENT

INGERSOLL-RAND COMPANY

The undersigned announces that as from I Joly, 1998 at Kas-Association, V., [Spuistraat 172, Amsterdam. div.cpn.no. 103 of the CDR's Ingersoll-Rand Company each repr. 5 shares will be payable with NLC. 1,21 uet. (div. per rec. date IS.05.98; gross \$ 0,15 p. sh.) after deduction of 15% USA-tax = \$0.1125 = NLC. 0,22 per CDR. Div. Coa. belonging to non-residents of cps. belonging to non-residents of The Netherlands will be paid after deduction of an additional 15% USA-tax (=\$0,1125 = NLC. 0.22 with NLC. 0.99 net.)

Amsterdam, June 25, 1988

VENEZUELA: Poverty Rising as Economic Reforms Take Hold

Continued from Page 11

their property and started building their two-bedroom house of cinderblocks, wood and scrap metal. Water is obtained from a single spigot. A dark hole in the corner of the house serves as a toilet. By the neighborhood's standards,

however, the Ferreiras are well off. Their floor is concrete, compared to the dirt floors many neighbors have. Together, Mrs. Ferreira and her husband, a gas station attendant, bring bome the equivalent of about \$5,440 a year.

Most of that is spent on food. They can neither save nor afford decent medical care should they need it, they say. Although they are not going hungry. they say they are eating less.
In the past, they could afford to eat

meat or fish twice a day. Now, they eat such dishes once a day and feel that vegetables and fruits have become too expensive to buy.

Catia is ridden with crime, drug gangs and shoot-outs, but at least it is cheap to

live there. Like most slum dwellers, the Ferreiras pay no rent, property taxes or ntilities. Residents drain electricity from nearby power lines and haul buckets of water up hillsides or siphon it from water lines. Authorities tolerate these situations.

While the Ferreiras may be fed up with economic reforms, economists say the reforms are coaxing Venezuela toward recovery.

In 1996, for example, inflation hit 103.2 percent and the currency, the bolivar, was devalued 61 percent in relation to the dollar. Last year, inflation fell to 37.6 percent, while the bolivar was devalued just 5.8 percent. This year's goal is 25 percent in-

flation, but some economists are es-timating year-end inflation of at least 38 Many business people also fear that the bolivar will soon be devalued.

For Mrs. Ferreira and others, however, that only means things are getting grimmer at a slower rate.

Take, for example, food consumption. Compared to three years ago, Venezuelans recently surveyed in a nationwide poll said they were eating 26 percent less food — their consumption having dropped 21 percent in 1996, but 5 percent last year.

Meat, milk, and corn flour registered the biggest declines, reported Datanalisis, which surveyed 1,000 people. Those figures are supported by production figures provided by food sup-

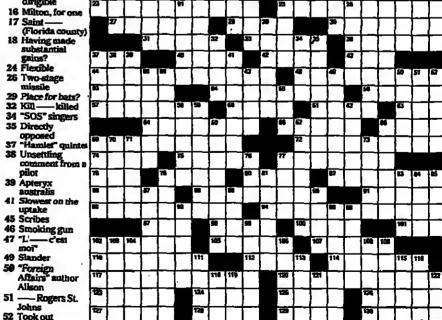
pliers, according to Datanalisis's president, Jose Antonio Gil Yepes. One item that is selling well is snack packs of crackers, whose sales are up 13 percent, according to another research

firm. Datos Information Resources. The reason: Venezuelans are eating the snacks "as a filler to fool their stomachs" into thinking they have had a normal lunch or breakfast, according to Datos's executive vice president,

Sold at local newsstands, the snacks cost about 15 cents each.

AT THE DINER By Fred Piscop





119 Bit of Florida

121 Nonpolluting

122 El adioiner

Continued from Page 11

car market, but as it runs low on cars, GM is likely to offer fewer discounts, and other automakers may follow suit, Mr. Strauss said.

"it's a likely scenario that we're going to have less competition, which means higher prices," he said. According to the Commerce Department, the Dayton strikes trimmed three-

tenths of a percentage point from the annualized rate of economic growth in the first quarter of 1996. Growth in that quarter was 1.8 percent, but the economy recovered with 6 percent growth during the second quarter of that year. The 1970 strike had a greater effect.

The annualized rate of economic growth actually dropped 3.9 percent in the fourth quarter, when the strike occurred, but then bounced back with an 11.3 percent gain in the first quarter of

The 9,200 striking workers are collecting \$150 a week in benefits from the

UAW. Laid-off workers are generally eligible for unemployment benefits of \$250 or \$300 per month, depending on the state. There are some signs that the layoffs

may be reaching a plateau now, at least at GM. After three weeks of laying off thousands of workers each day, GM laid off 1,500 Thursday, mostly auto parts workers in the United States and Mex-

GM executives asked assembly plant managers on Wednesday morning to send home any "nonessential" main-tenance workers at shunered factories and turn off the power to the machinery to save money on utility bills. But GM officials said Thursday that this would

result in very few layoffs. The current strikes could have a longer-term economic effect if they result in GM closing some of its chronically unprofitable small-car factories in the United States and investing overseas

Donald Hackworth, GM's group vice

GM: Flint Strike Already Is Costliest in Auto Industry Since 1970 president for North American cars, said last week that GM would reconsider its investment plans in the United States if the UAW did not agree to improve productivity.

GM's after-tax losses from the current strikes are approaching \$1 billion, for which the company is not insured. Through Friday, GM will have lost the production of roughly 230,000 vehicles, compared with 180,000 vehicles lost during the Dayton strikes.

The effects of the current GM strike would be even worse were it not for the nation's strong economy, which is making it easier for laid-off workers to find new jobs. Trucking companies are having a very hard time finding drivers, for example, and have been taking out newspaper advertisements and sending recruiters to Flint.

President Bill Clinton has expressed concern about the strike, but has said that the company and the union should settle their disagreements through col-

53 Illegal parker's 54 Petitions هـ1" 5'أتحنا 56

> brand 60 Discloses 61 Withdraws, with 66 Rival of Helena

57 Old shoe polish

68 Domino, e.g. 69 The real estate agent ordered 72 The come ordered ---74 Politico Bayh 75 Cremons

77 River crosser.

nown 1 Office dupes, for 2 Result of a 3 Diamond family

4 Actress Massey 5 Whole bunch 6 Like some coifs 7 Climber's challenge 9 Scratch

10 Sporty car 11 "Exodus" role 12 Nickelodeon 90 Time of decision 93 Gos gurment

68 Raise again ... and again 69 Perraining to 102 Vanguishes 183 Let out 70 Seed structure 71 Word of 73 Hospital supply 77 Ring fighter 79 Reached the

8t Bully 83 Wined 84 Utah state flower 85 Give or take 89 Consin of a

55 Oahu-to-Maui

58 Major defen contractor

62 Caterpillar

constructions

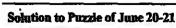
65 Navigation units

O New York Times/Edited by Will Shortz 104 Halitosis fighter 111 Square-ended 95 Tries not to 106 Younger subtitled My 96 Carbomb? 113 The "id" in "id 99 Gets serious

108 Crows' homes

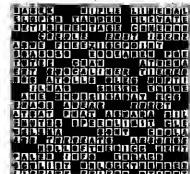
109 Prefix with

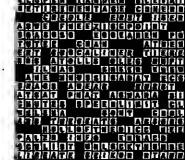
-pathy



115 Sleekly

116 Flaw





E-mail address: moneyrep@int.com

Website: www.iht.com/iHT/MONEY

Contradictory Canada: Faltering Currency Amid Economic Boom

By Ann Brocklehurst

ROM an investor's point of view, Canada is a country of contradictions. According to the International Monetary Fund and the Organization for Economic Cooperation and Development, Canada's economy will ontperform those of all the other G-7 countries this year. Yet the Canadian dollar is at an all-time low against the U.S. currency, which has made investing in the country a difficult proposition for foreigners.

Fund managers and analysts said that despite the Canadian dollar's problems, investors will find Canada an interesting place to shop for stocks. They maintain that, compared to the U.S. stock market, the country offers much in the way of

Dunnery Best, a senior vice president at Toronto's Midland Walwyn Capital Inc., suggested looking at Canadian and U.S. companies operating in the same industries and comparing their price-to-earnings ratios. As an example, he cited the fine-paper-and-packaging maker Domtar Inc., which is listed on the Toronto and New York stock ex-

Domtar trades at about 11 times its estimated 1998 earnings of 90 Canadian cents (61.4 U.S. cents) a share and 7 times estimated 1999 earnings of 1.49 Canadian dollars. Mr. Best compared this with a group of U.S. paper pro-ducers, including Champion Interna-tional Corp. and Boise Cascade Corp., which recently traded at an average of 23 times consensus 1998 earnings and

11.5 times 1999 earnings. Investors can also use the comparable-value theory to help weed out Canadian stocks that might not be good huys at current prices. The country's six ular performers in 1996 and 1997, when they rose 47.4 percent and 32.9 percent,

market pushed bank stocks even higher on news earlier this year that Royal Bank of Canada and Bank of Montreal planned to merge. Although the government has yet to approve that deal or the subsequentannounced Imperial

Bank of Comand To-Dominion Bank. there is little doubt they eventually get permission. As a group, the

Canadian banks involved in the mergers trade at about 16 times

estimated 1998 earnings and 14 times 1999 earnings, the same as the muloples for big U.S. banks, Mr. Best sees this as proof that when outside investors get to now Canadian companies, their real value is recognized.

He noted that the National Bank of Canada, which is not listed outside the country and is the smallest of the Big 6 banks, still appears to be good value. It trades at about 13 times estimated 1998 earnings of 2.20 dollars a share and 12 times estimated 1999 earnings of 2.40

As of April 30, the National Bank was the fifth-largest holding of the Fidelity Canada Fund, one of just a handful of country-specific funds available outside

The fund's manager, Tom Sweeney. said in the latest semiannual report that "The bank conducts its business primarily in Quebec, whose economy is

Budget surplus as percent of GDP

> currently weaker than the rest of Canada, and, as a result, the stock has been undervalued and selling at a significant discount. Mr. Sweeney, whose fund returned

A Sick Dollar, a Thriving Stock Market

just 8.21 percent in the year ended Oct. 31. 1997, compared with 18.18 percent for the Toronto Stock Exchange 300. said the underperformance was partly due to the underweighting of bank stocks in his portfolio as well as to the overweighting in resource stocks, which generally performed poorly.

While many of the hundreds of mu-tual funds available exclusively to Ca-nadians bave beaten the 300 index, only one of five funds sold offshore has shown remarkable results. The Luxembourg-based CMI Asset Management, which is managed by Jarislowsky Fraser & Co. of Montreal, returned 24.2 percent in 1997, with a five-year annn-

alized rate of return of 14.10 percent. Aside from buying funds and individual stocks, investors can also play Canada by buying World Equity Benchmark Shares, a Morgan Stanley Dean

Witter & Co. product. WEBS, as they are known, offer passive index management for 17 countries, including Canada, and are listed on the American Stock Exchange, where they trade like any other stock. In 1997, the Morgan Stanley Capital Index for Canada, npon which the Canadian WEBS are based, rose 12.5 per-

While the Toronto Stock Exchange bas not managed to rank among the world's top 10 markets over the past decade, its broad 300-share index rose a respectable 13 percent in 1997 after jumping 26 percent in 1996. It has been hampered by the poor performance of resource stocks, which account for 22

change 300. In 1997, the mines and minerals index fell 27.55 percent, gold and predropped 43.56 percent, pulp and paper lost 12,75 percent, and oil and gas inched up just 2.83 percent. "The relative

Toronto Stock Ex-

performance of resource stocks nonresource stocks has rarely been more extreme than it recently,

said Fred Sturm, manager of the Ivy Canada Fund, which is run by Toronto's Mackenzie Financial Services Inc. for U.S. investors. It specializes in resources, and its Class A shares have tumbled 19 percent so far

this year. "Over the last year," Mr. Sturm said, "compliments of developments in Asia, investors have been fleeing from the resource market into more solid sectors such as domestic real estate and financial services." The Asian situation has also had a negative effect oo the Canadian dollar

which traded at all-time lows earlier this month. (Page 17) While many economists believe the dollar is undervalued, there is consensus that it is in a bearish trend that could continue for months. Mr. Best said investors need to be prepared for currency gyrations in the short term or to bold their stocks for the long

Despite the potential for more bad oews from Asia, Mr. Sturm says it is important to ask "at what point investors have factored in all that negative news." He said the lows in the conimodity and resource sectors and underlying companies were being formed

While Mr. Sturm would not commen on specific stocks, he said he was bullish on the natural-gas sector, which, thanks to new pipeline capacity, is expected to increase exports to the United States. His portfolio includes Remington Energy Ltd., whose energy reserves are almost all located in British Columbia.

Among better know resource stocks, Irwin Michael, the manager of Torontobased ABC Funds, recommended Nor-anda Inc. as the best of the integrated mining companies. "It's like a mutual fund," he said, adding that the stock now trades at 24 dollars, below the approximately 31-dollar-a-share value

Mr. Michael said he saw opportu nities in another traditional Canadian sector: forest products. He said that St. Laurent Paperboard Inc. and Alliance Forest were trading below net-asset value and were possible takeover tar-

Indeed, Mr. Michael said the value of Canadian equities was attracting for-eigners. Foreign investment in Canadian stocks rose sharply in March, to 2.24 hillion dollars, the first month to his more than 2 billion dollars since July

"With the Canadian dollar as weak as it is today, an American can buy 1.47 dollars worth of Canadian assets for one U.S. dollar. Canada is on sale and ready to be plucked," said Mr. Michael.

Recent American takeovers include the purchase of the forest products company, Avenor Inc. by Bowater Inc. and the purchase of Norcen Energy Re-sources Ltd. by Union Pacific Resources Group Inc.

Of course, Mr. Michael ooted, the

Continued on Page 17

Canadian Exchanges: **Both Small and Volatile**

The Saga of Bre-X Is a Cautionary Tale

By Ann Brocklehurst

an

KO.

bu:

tan

ica

ant

Bα

Fra

to l

IKE Canada itself, the Toronto Stock Exchange is often regarded as little more than a lessexciting version of its oeighbor to the sonth. Many foreign investors simply do not see any reason to buy into a mar ket like Toronto when they believe similar products are available in New York.

'They tend to throw us in with the U.S. market when the markets are really quite distinct," said John Carson, senior vice president for market regulation at the Toronto exchange. "But those who view the U.S. market as a virtual proxy for Canada are quite mistaken.

Unfortunately for Toronto, its most important distinguishing feature as of late has been the role it played in the Bre-X Minerals Ltd. gold scam. By the time the extent of the fraud was revealed in May 1997, the company's stock lost 6 billion Canadian dollars (\$9 hillion) in

The panie selling caused the exchange's electronic-trading systems to crash, and it faced criticism for including Bre-X in its 300 index, meaning that mutual funds that recreated the index would have purchased it.

"To varying degrees, everyone in Canada's investment industry was hurt by the collapse of the company: investors who lost their holdings, mining companies who suffered from an erosion of confidence, and all of us who work in the Canadian capital markets who have suffered negative impact on our hard-won credibility," the exchange president, Rowland Fleming, told the annual meeting in May.

Just a few weeks later, the exchange and the Ontario Securities Commission proposed regulations that would require mining companies to increase their disclosures about properties and drilling standards.

Although Mr. Carson admitted it would take time for Canada to regain its credibility in the prospecting business, Toronto is still billing itself as the vice president of the Montreal money-

world's leading mining exchange and trying to persuade foreign companies to list there. In 1997, 3.2 billioo Canadian dollars in mining capital was raised on the exchange, representing more than a

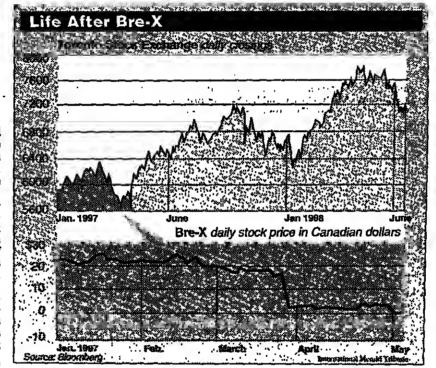
third of the world's total. Mr. Carson also emphasized that, despite Bre-X, the exchange broke a number of records in 1997. Its 300 index hit several all-time highs, trading volume was the largest ever at an average of 1.68 billion dollars a day and ocw issues reached a peak of 102, np from 79 in

At the same time however, the exchange is feeling the effects of globalization and electronic trading. Even when it can convince foreign investors that Canadian stocks have something unique to offer, Toronto faces direct competition from the New York and American stock exchanges and the Nasdag market, which list 34 of the stocks in the Toronto Stock Exchange 35 and 40

percent of those in the 300 index. At the annual meeting, Mr. Fleming noted that the number of interlisted stocks was increasing and compedition for trading was intensifying. "We now execute less than 60 percent of the trading volume in Canadian securioes, as markets fragment and trading in upstairs markets and proprietary trading systems

increases," he said. The Montreal Exchange, Canada's second-largest, knows how it feels to lose business to bigger markets. Once the most important bourse in the country, Montreal ceded that position to Toronto in the 1950s. It now contents itself with being No. 2 and draws much of its business from pension funds and inscitutional investors who trade in Montreal, mainly to support the city's financial industry.

All the major Quebec companies are listed in both Montreal and Toronto. including some of the best performing small-cap slocks in the country. For example, A.L. Van Houtte Lid. of Montreal - a coffee maker and distributor recommended to Money Report readers on Sept. 6 by Christine Decarie,



ciates Inc. - has returned nearly 40 percent since that time. The share price of Fonorola Inc., another Money Report pick, is up 79 percent, reflecting a takeover bid hy Call-Net Enterprises

THILE equity analysis no longer agree that Quebec stocks are undervalued because of fears that the French-speaking province may choose to secede from the rest of Canada, they still say there is value to be had in Quebec.

"It is a sad truth that companies only really learn to compete during tough times. In Quebec, capital and population flight have so suppressed economic growth that any management whose company has been able to grow and prosper really must know its stuff." according to a recent report by the Toronto money manager Burgundy Asset Management Ltd. "The result is a tough, pragmatic group of entrepre-neurs who can be relied upon to make money in just about any circum-

stances. Among the Quebec companies currently recommended by Burgandy are the grocer Metro-Richelieu Ltd., the

management firm Montrusco & Asso- auto parts distributor Uni-Select Inc. and the radio and billboard company, Radiomutuel Inc., all of which trade in Montreal and Toronto.

Canada's two other markets, the Alberta Stock Exchange and the Vancouver Stock Exchange, are niche markets completely different from Toronto and Montreal. Alberta specializes in startup mining and energy stocks while Vancouver is known chiefly for penny mining stocks.

Although Bre-X was originally listed in Alberta, Vancouver has a nasticr overall reputation for listing companies involved in scams and scandals. Both markets are only for speculators. For example, Downing & Co., a small financial-services firm in Olivenhain, California, is recommending Anvil Resources Ltd. to the "risk oriented." Anvil is based in Vancouver, trades in Calgary and its primary focus is to discover and develop resource rich prop-

Richard Coates of Downing said the potential of Anvil's oil and gas properties make it a strong buy at its current price of about 1.43 dollars a share, even though the price has nearly quintupled so far this year. Much of the gain came after the company reported positive results at a gas well drilling.

A Winner in 4 Ain't Bad (When Price Quadruples)

Ballard Soars on Enthusiasm Over Fuel Cells

"NVESTORS would have done well Analysts oow think that developing technology companies based in Vancouver, but all of the gains came from one of their four recommenda-

Ballard Power Systems Inc. was the standont of four stocks suggested in the March 8, 1997, issue of the Money Report, more than quintupling in value through Thursday. The three other is-sues — Spectrum Signal Processing Inc., QLT Phototherapeutics Inc. and StressGen Biotechnologies Corp. lost value, though hopeful signs remain

for patient investors. Besides patience, courage is required: These companies show small profits if any.

Ballard, nonetheless, is up 319 percent since March 7, 1997. Bob Chewning, an analyst at Morgan Stanley, Dean Witter & Co. in New York is bullish on the company, which makes emissionfree fuel cells that can be used to power electric vehicles, power stations and portable generators. Though Mr. Chewning said it was likely to be as long as five years before Ballard had a mainstream market for its proprietary technology, he was optimistic because of the company's success at attracting cashcarrying, high-profile partners from around the globe.

Ballard's fuel cells are used by a variety of carmakers and energy-equipment and service suppliers to deploy prototype models of electric cars, power stations and portable generators. In the past year, the popularity of Ballard's fuel cells has increased exponentially. Daimler-Benz AG, an early supporter of Ballard, recently hought a 20 percent stake in the company, and Ford Motor Co. holds 15 percent. As of April, Daimler, Ford and Ballard had an alliance to commercially produce fuelcell-powered drive trains and other parts for automobiles. In the past two months. Ballard has signed multimillion-dollar development contracts with leading power-plant makers, including GEC Alsthom and Ebara Corp. of Japan. These recent developments have helped push Ballard's stock back up to the high end of its 52 week of range of \$28-\$132. The

stock split three-for-one early io June. QLT Phototherapeutics is a fledgling hiotech company that, although dogged by losses, seems to hold long-term investment promise. QLT, a spin-off from the University of British Columbia, is pioneering the development and commercialization of photodynamic drug therapy. These drugs use light-activated therapy to kill diseased cells without harming healthy tissue. Its stock has lost about 33 percent of its value since March 1997,

initially, analysts thought QLT's flagship product, Photofrin, would be its moneymaker. The drug is positioned as an alternative cancer treatment to radintion, and it has received marketing approval in many countries. In the past year. Photofrin proved to be a tough sell among doctors, particularly in Europe and Japan, who are generally unfamiliar with laser technology and prefer more traditional methods of cancer treat-

to follow the advice in March 1997 drugs for cancer treatment may not be of analysts who follow fledgling OLT's critical path to growth. Vic. Tysoo, manager of knowledge-based technologies for the Vancouver office of the Royal Bank of Canada/Dominion Securities is among those who believe the bulk of QLT's future value will be derived from its second-generation drug known as Benzoporphyrin derivative.

The drug, which is now in human trials around the globe, is seen as a breakthrough treatment for eye discases, including age-related macular degeneration, the most common cause of blindness in people under 50. In anticipation that those trials will result for approvals, the Royal Bank of Canadal Dominion Securities, as of June, had a

'huy' rating on the stock.
QLT should also get a boost in the next year from its alliance with the bealth-products supplier C.R. Bard Inc. The companies teamed up in April to develop a therapeutic system and procedure for reduction of arterial restenosis using localized photodynamic therapy. Restenosis is the reclosing of blood vessels that occurs within six months in as many as half of all angioplasty pro-

Spectrum Signal Processing is an other Vancouver company that offers long-term investment promise, though probably not without some short-term headache. It has lost 21 percent of its value since the beginning of March

Spectrum supplies programmable digital-signal processing products. Until recently, this technology was used mostly in defense-oriented applications as a means of facilitating wireless voice and data transmission. Now, the commercial marketplace is starting to look

at the technology.

Uotil recently, Spectrum's primary push had been to tie its digital-signal processing technology to products as sociated with computer/telephone in tegration. In December, the company discontinued its desktop computer/telephone board products and decided to focus solely on developing digital-sig-nal processing applications that can be sold to businesses that resell wireless communication services.

it was a good move. Texas Instruments inc. is in the middle of a major drive to boost production of digital-signal processing based chips. In the past year, Spectrum has released more than a dozen new products based on Texas Instrumeots' digital-signal chips.

The company maintains a vehe mently loyal investor following, one that can be witnessed first-hand by visiting an Internet bulletin board devoted, to the stock on the Silicon Investor.

StressGen Biotech, the fourth company mentioned, has fared the worst, losing 50 percent of its value. Lately, however, it has been rising, following its statement that an experimental cancer, treatment eradicated tumors in mice.

- Holly Hubbard Prestor ALTHOUGH THEY RE BASED BY VANCOUVER, the faur companies that on the Toronto Stock Entrange, and Ralland, ULT and Spectrum have additional lighting on the CH. I and Spectrum have additional lighting on the CH. I and Shreaden tack on the Stongare exchange as ALL and Shreaden tack on the Stongare exchange. and ICON TVVINTOR'S Spectrum Signal building board in the distance of the form of the control of the signal and part 1246.

Canada's 'Loonie' Currency Is Not a Basket Case tries to recover economic output lost as

America, just about the only thing currently wrong with Canadian bonds is that U.S. Treasuries pay slightly higher interest rates. The yield spread between the two countries 30-year bonds is now about a quarter of a percentage point, giving foreigners little incentive to buy Canadian paper despite a broad consensus that the country's economy is in ex-

Carl Weinberg, chief economist of High Frequency Economics in Valhalla, New York, said he thought investors should overlook the yield spread and purchase the Canadian bonds anyway. Inflation is negligible in Canada. Bond yields of 5.375 percent on 10-year bonds and 5.625 percent on 30-year issues look attractive in inflation-adjusted terms, he wrote in a recent edition

TOR investors outside North of his newsletter. Furthermore. Canada's government has a budget surplus that is growing.

"There ain't going to be no more Canadas to buy very soon," he said. This is an extremely strong fundamental for bond prices and for extremely low bond yields."

While Mr. Weinberg noted the weakness in the Canadian dollar which hit its all-time low against its U.S. counterpart earlier this month and now trades at 68.17 cents - might deter some investors, he noted that the loonie, as Ottawa's currency is known, has been relatively strong against the ven, the Continental currencies and the pound.

'If you have a time horizon of more than a few months, the currency will come around." he said.

David Abramson, managing editor of

the Montreal-based Bank Credit Analyst's Insolutional Currency Service, is a result of structural changes it undermore cautious about the Canadian dollar. As a major exporter of commodities, Canada remains susceptible to falling prices and a further drop could push the dollar down to 66 U.S. cents, he said. A rise in U.S. interest rates could also hurt the Canadian currency's ability to move up, he added.

"The reason why our currency is weak is not because we're a basket case," Mr. Abramson said, "The underlying story about Canada is a bullish one, but it is consistent with lower interest rates and a lower Canadian dollar. We have a weaker currency because our interest rates are months, there is still a gap that needs uncompetitive and we have lower bond yields because of our uncompetitive interest rates.

Monetary policy is loose as Canada

went in the early and mid-1990s, when inflation was squeezed out of the system and government deficits were cut, he explained. Despite the climination of the fed-

eral government's budget deficit, the country is still coping with a current account deficit. Its debt represents 40 percent of GDP, imports have risen as consumers' spending power has increased and there is a greater demand for investment as Canada tries to catch up after the years of severe recession. While the current account deficit is expected to shrink over the next few

to he filled by foreign financing. On top of these factors, Canadian Continued on Page 17

n many case. the bond many ing interest T-

By No Means a Baske

Continued from Page 16

Cool nave

and he though

AND FEE WHITE THE PARTY OF THE

ang interest gams as rate from both cons a year, which Secu-jear far is general, But Viz. more money if here W Western Courte because

the United States 17. infor-reduction hicken USC C figures a contact of the

BRIEFCASE

Fund Management Pays

In Japan, on Continent any caken marta unio क्रिक ले कारतः ... -150

provely manage mic movement stely by HSEC - shows that their co - Commental Euroc Among actives - group Europe see porcent bear en: p...

bruchmark usd-s
pean shares to the p
of 1987 mml liinant managert = jade relevant hethe relevant because are That counties with botton of managers as a supplemental of the su mathe same state of the same s

Banagers not have
Small from departs and the state of HBB the different Fundamental for the state of HBB the different Fundamental formation for the state of HBB the different Fundamental formation for the state of HBB the different Fundamental formation for the state of HBB the different Fundamental formation for the state of HBB the different Fundamental for the state of the st When we keek 20 the 1 Street Street Markets they be set of the set of agreed and laters with the world feel

has to see the case of many other and an the case in many and exgrant mouse may attache in the at

in minimum and in the control of the See to a few and a second and and

Takes a substantial differences aroundly instandard in the of the

any was skewed in the control of the and administres were not coninflationally 75 percent contained
and the Even 50, the working A significant of managers in the But appeared in their room.

heatpands to U.K. Mic Share Deal the barrier com-

and good vertice com-

And the first that the search of the search The state of the s The state of the s

ce is Needed

All our professions of regret all on the mistale. Rwanda all our claims to have something from the misake security of the recent part will be somether killing field continued by passident François Mint. The state of the Security Con-The decision to intervene in the Stalls of Itad to sake the then people are in danger to the world, no one has and

one is other side. It becomes fr. ent was adapted from a second sec

Save Kosovars

Marie Thompsoo

Security Council in of force Bu & ent action to stop be Albania, a powerld The share Tropoje distr Tropoje distr Tropoje distr Tropoje distr -- out retugee lande because & their host family The state of the s

and the local make The second second second a region and some and a second to the second state of ades of the second and the same and the second The state of the s with the states 1 1 1000 en et en der delege 10 71 45 March

********* ₈

-- -- W

The second of the second

A CONTRACTOR

The reserve and the contract of the contract o

1

and the second second

المارية الشاهرية

oto T

 $= \frac{1}{2\pi i} \frac{d^2r}{dr}$

100

1.77

والمناب شاور

The second second

0.00

V.

and the second

and Region lies

 $\omega_{\mathcal{F}}\mathcal{F}^{\bullet}$

•

- ₇₋₁

- 2: 37e.

Junned Reporters

10 to the 42 21

* * * * * C. C. 427, 4392 ii nem karaysa

্র ক্রান্ত্রিক বিদ্যালয় বিদ্যালয় করে হার্কিক বিদ্যালয় করে বিদ্যালয় . ".: and the second promiser. 21 112 E

theorized.

everyone to see. This is not the case in many other

markets, where extra diligence and effort hy portfolio managers can reward them with insights unavailable to rival investors.

much more covert in its activity because it's more domestically focused, like Japan, informatioo is available on a needto-know basis," he said. "When managers get in there and do favors and observe protocol, they get the information. In Europe, because of cultural differences, it's difficult for analysts to get an open book. Managers who work hard can make a substantial difference. Tracking an index becomes broadly in-

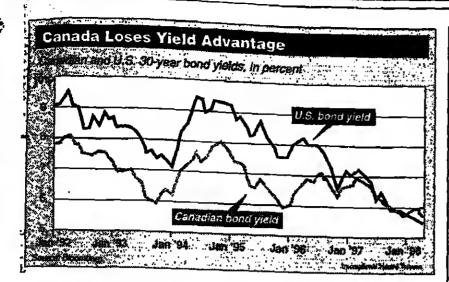
E*Trade Expands to U.K.

brokerage, has entered the British market by setting up a joint venture com-pany with Electronic Share Informa-

E*Trade is investing \$6.37 millioo for a 27.7 percent stake in the oew company called E*Trade U.K. Ltd. Owners of the closely held Electronic Share Information Ltd. will receive shares in the holding company capitalized at \$23 million. A third company is also expected to invest as

"This is part of E Trade's strategy to give individuals Internet access to global markets," said Linda Chew, an analyst at Corinthian Partners LP in New York, E*Trade also provides services in

THE MONEY REPORT



That 'Loonie' in Canada

By No Means a Basket Case, Analysts Say

Continued from Page 16

exports, particularly from the West Coast, have been hart by the Asian collapse. Gerald Vincent, a bondportfolio manager with the Toronto investment adviser Davis-Rea Ltd., said he thought the coocern about Asia was valid but that the currency markets have overreacted, as they tend to do.

"In these situations." he said, "you can get lows lower than ooe would ever expect based on fundamentals. These movements can be truly emotional and, in many cases, irradonal.

Despite the decline of the Canadian dollar, Mr. Vinceot said, the tone of the bond market was good. Combining interest payments and capital gains as rates decline, he predicted loog-term bonds would return 9.5 percent a year, while issues in the five-toseven-year range would offer about 8 percent. But Mr. Vincent, along with Mr. Ahramson, said he would put more money in American bonds than

Mr. Weioberg said he preferred Canada because the extent of its strucjural changes has been greater than in the United States. He said he thought deficit-reduction in the United States has been "transieot" and that American finances would eventually deteriorate as an aging population makes increasing demands on the country's Social Se-

curity system, a situation he said Canada

had begun taking steps to avoid.

In provincial bonds, Andrew Pyle, a fixed income analyst at CT Securities Inc. in Toronto, said both Ontario and Alberta paper were attracting interest. Alberta, an oil-producing province in the West, eliminated its deficit years ago and has pledged to erase its deht, excluding pension liabilities, by

Ontario. Canada's most industrialized province, is planning to balance its

budget by the year 2000.

Mr. Pyle said that while the spreads between Alberta and federal bonds have now narrowed to the point that there is little incentive to huy its provincial bonds, there is still room for Ontario/ Canada spreads to narow and for investors to profit.

As for Quebec, the French-speaking province whose bonds are considered riskier due to the threat of secession, he called them an "interesting speculative play." Mr. Pyle believes that if Jean Charest, a popular federal politician newly arrived on the political scene, manages to beat the current separatist premier, Lucien Bouchard, in the next election, Quebec bonds could benefit handsomely. He ooted that the bonds of the provincial utility Hydro Quebec, which generally track the province's

- ANN BROCKLEHURST

Fund Management Pays In Japan, on Continent

BRIEFCASE :

Fund managers plying their trade in the British and American stock markets have taken much grief over the fact that so few of them can match the performance of benchmark indexes or of passively managed funds intended to the indexes. A study hy HSBC Asset Management Judy Balint, senior vice president shows that their colleagues investing in Cootinental Europe and Japan do much

Among acovely managed funds targeting Europe studied by HSBC, 90 perceot beat the performance of a uladon. benchmark index of Continental European shares in the period from the start of 1987 uotil last March 31. Among fund managers in Japan, 75 percent beat the relevant benchmark.

That contrasts with just one-third of managers of American funds and 29 percent of managers investing in Britain over the same stretch. The Anglo-Saxon inanagers may have fallen victim to the transparency of their markets, Rohin Minter-Kemp, deputy managing director of HSBC Investment Funds Europe.

When you look at the U.S. and U.K. markets, they're very open," he said. "Most of the key information that will infloence stock prices will be there for

Where you bave a market that's efficient.

. The study was skewed in favor of active managers in a couple of respects: Funds investing in smaller companies and individual industries were not considered, and index levels were reduced to reflect a notional 0.75 percent annual management fee. Even so, this would not affect the contrast of managers in the Anglo-Saxoo markets with their counterparts in Europe and Japan. (IHT)

In Electronic Share Deal

E*Trade Group Inc., the U.S. on-line tion, both companies said.

Canada and Australia, and earlier this

bonds, would also be likely to increase

mooth said it would eoter the Japanese market in association with Softbank

By partnering with Electronic Share Information, E*Trade gains access to more than 170,000 customers. It currently has more than 400,000 customers in the United States.

"The creation of E*Trade U.K. will olidify our European presence." said global marketiog and strategic busi-oess development at E*Trade. "The U.K. has the second largest market of private investors in the world as well as a large and growing Internet pop-(Bloomberg) ELECTRONIC SHARE INFORMATION's website is www.est.co.uk E*Toude's website is www.est.co.uk E*Toude's website is www.est.ade.com

Salomon Smith Barney Cites BP as Best Choice

Salomoo Smith Barney said British Petroleum PLC was its global top pick. The brokerage house cited "superior management, strong exploration-andproduction performance and attractive valuacion."

The company, which has returned more than 23 percent to investors in the past year, has a target of 1,100 pence at Salomon, compared with its price late Friday of 878.5 pence.

A couple of added attractions for individual investors are that the stock pays n dividend in excess of 3 percent and it is listed on several exchanges.

Egyptian Exchange Plans To Ease Investor Rules

changes to restore investor confidence, its chairman told fund managers.

Sherif Raafat, the exchange's chairman, said the Office of Public Enterprise would begin using experienced underwriting firms to market initial public offerings of privatized companies. The government has been criticized for lack of transparency in the way it prices and markets the offerings.

Public Enterprise officials will abolish a rule requiring investors to deposit mooey to cover the full value of the shares they apply for in public offerings. Investors complained that they often had to sell existing holdings in order to raise cash to buy oew stocks.

The government also is changing the rule requiring companies newly listed on the exchange to trade at their IPO price rather than their market value. The rule change will affect heavily traded new stocks, such as Egyptian Mobile Telephone Services Co. (Bridge)

Skandinaviska Enskilda **Opening Set of Indexes**

Skandinaviska Enskilda Banken AB is introducing a set of equity indexes that provide industry classifications across the Nordic region.

The products include segment, sector and industry indexes, small-cap indexes and total market capitalization weighted indexes for the Nordic region as well as

for each country. S-E-Banken said the indexes would be grouped in three areas - cyclical, growth and interest-rate-sensitive which will be sub-divided into eight sectors. Those sectors will include 28 different industries. (Bloomberg)

HE OIL husiness has fallen oo market, some sectors are suffering. Oil

tough times, and that is good news for bargain-hunters. The price of oil recently hit a 10year low, less than \$12 a barrel. It is down 26 percent in the second

On the supply side, the problems are too much production by oil-rich but cash-strapped countries in the Mideast and Latin America and increased pumping by Iraq. On the demand side: a warm winter in the United States and a drop in demand as Asia's economy slumps.

On Wednesday, members of the Organization of Petroleum Exporting Countries pledged to cut production hy 2.6 million barrels a day, about 3 percent, over the next year. Lower supply means higher prices, but investors were not impressed with these promises, and oil closed at \$14.60 a barrel, little changed from before the OPEC meeting. On Friday afternoon, the price had fallen to \$14.20. That compares with an average of \$17 a barrel last year, and \$19 in 1996. Between 1979 and 1985, oil averaged \$31 a barrel

Below \$16, it is hard for most drillers and oil-service companies to make decent money. The hig, integrated international petroleum companies that sell to consumers can still do well because their costs fall, but up the produccion chain, businesses get creamed.

More precisely, the businesses themselves get hurt a little (or even continue to thrive), but a panicky Mr. Market causes their stocks to get hurt a whole lot. This is one of those "rolling depressions" that Marty Whitman, manager of Third Avenue Value Fund, talks about. Masked by the general good bealth of the economy and the

service is a prime example.

Take Smith International Inc., which makes such drilling equipment -\$220 millioo to \$1.6 billion in four

as diamond hits. It has a good balance sheet and sales that have gone from years. According to Bloomberg News, the mean estimate of the 15 analysts who cover the stock is that profit this year will rise to \$3.11 a share from \$2.58 last year, a 21 percent advance.

was more than 50 percent. to be growing at a 20 percent rate.

Smith is oot alone. Halliburton Co.,

tract driller whose carnings have more

than sextupled in three years, has fallen 60 percent and trades at a P/E of a mere 9, even though earnings are supposed to rise 50 percent.

Bottom-Fishers Should Look at Oil-Service Stocks

What is going on here? The answer, in a word, is Asia. If you believe the Asian crisis has been overdone in the stock market, then your best play - better, perhaps, than

JAMES GLASSMAN ON INVESTING

Not bad, but not as good as in 1997 and 1996; the gain in each of those years

Still, look at Smith's stock. From a high of \$87.88 a share in October, it had fallen to \$34.25 Friday afternoon. Smith's price-to-earnings ratio, based on 1998 estimated earnings, is a mere 11, or less than half the market as a whole, even though its profit is expected

which William Herbert of Howard Weil Labouisse Friedrichs Inc., told me is the 'best-managed company in the oil-service industry," is down 43 percent since the Asian crisis broke in October. The deepwater driller Transocean Off-

shore Inc., is off 46 percent. Schlumberger Ltd., the higgest of the oil-service companies, is down only 27 percent, but the smaller Parker Drilling Co., which packs a higher rating from the Value Line Investment Survey (2 vs. 3 for Schlumberger), is down 61 percent in eight mooths, while Ensco International Inc., a con-

Asian shares themselves - could be oil-service stocks. Typically, these shares go to extremes, either down or up, said An-

vice, she believes, "offers wonderful appreciation potential." But what about that oil price? I ask. "My view is that what goes down eventually comes up," she says. "Oil at these levels becomes 'naturally correcting." In other words, when prices get low enough, production slows significantly, thus crimping supply, thus pushing

geline Sedita, an analyst with A.G.

Edwards & Co. in St. Louis. Oil ser-

prices back up. Over the past 10 years, oil has generally fluctuated between \$18 and \$20 a barrel. Wheo it goes outside those boundaries, it quickly snaps back.

Mr. Herbert, the Howard Weil analyst, is oot so sanguine. "What is really important is demand stabilizing in Asia," he says. If it falls off, then oil service stocks could drop some more. "My worry is the 'C' word," he ad-ded, referring to "contagion"— the spread of the Asian economic ills throughout the globe, leading to slowdowns in demand for oil in Europe and America as well.

Still, Mr. Herbert, like Ms. Sedita, is fond of Transocean. He is also high on Halliburtoo, beaded by Richard Cheney, a former defense secretary. The company is merging with Dresser Industries Inc., a combination that will

surpass Schlumberger in size. In fact, mergers and potential ooes are a major theme in the husiness, one that is being encouraged hy a low oil price, which is making some compa-nies vulnerable to takeovers. On Junc 19, for example, Schlumberger offered to huy Camco loternaoonal Inc., sending its stock up 40 percent. "Ample strategic justification exists" for consolidation, writes John Lovoi, an analyst for Morgan Stanley Dean Witter & Co., "and there is still too much redundancy in the sector." That, too, is good news for iovestors.

Mr. Herberi also cited EVI Weatherford Inc., which makes undersea drilling equipment and trades at a P/E of 14. (just half its 28 percent earnings growth rate), and Cooper Cameron Corp., which makes pressure-control equipment.

Gerard Feenan, oil-service analyst for Value Line, is bullish on the sector: 'Though persistent weakness in oil prices is a cause for concern, we think industry fundamentals remain very The sector is ranked fifth-

ighest of 90 that Value Line follows. Mr. Feenan's highest ratings go to Varco International Inc., which sells and leases advanced drilling tools and carries a backlog of orders that is as large as its entire 1997 sales volume, and Global Industries Ltd., a Lafayette, Louisiana, provider of offsbore construccion and support services.

Washington Post Service

Without the Rich, Society Would Be Poorer, Right?

By Peter Passell

HO SAYS economics is the dismal science? O.K., O.K.: Just about everybody. Who but an ecooomist, after all, woold insist that unemployment can ever be too low or that

the stock market can ever be too high? But nobody ever accused the Federal Reserve Bank of Dallas of spreading doom and gloom. Indeed, the Dallas Fed s well known for a study showing that poverty in America is largely a sta-

tistical misunderstanding.

Perhaps not surprisingly, that take on poverty never passed muster with the economics establishment. But the same researchers, W. Michael Cox and Richard Alm, are at it again. This time, they are apt to raise fewer hackles with their paean to the virtues of technological

"Time Well Spent The Declining Real Cost of Living in America," an essay that is part of the Dallas Fed's 1997 annual report, is short on hard-core analysis. But the then-and-now statistical comparisons, showing how much more the average American can buy with so much less effort, are loads of fun

to check out. For the record, the Dallas Fed economists are not the first to take issue with the idea that prices are far higher today than they were, say, a century ago. In-deed, the argument about long-term price comparisons is well-known to Econ 101

students as the Sears Catalog Paradox. If prices are really so much higher today, the premise goes, it follows that most people would prefer to spend \$1,000 on goods from a century-old Sears Catalog at 1898 prices than go on

a \$1,000 shopping spree for today's goods at today's prices.
In fact, most people would choose the other option. While it would be nice to be able to buy a pound of nails or a dozen spools of cotton thread for a few pennies from the old catalog, hardly anyone would want to own the primitive sewing machines or bicycles from the

With the Hermes index down more than 17 percent this year, the Egypt Stock Exchange is planning some Contradiction

Continued from Page 16

takeover traffic is not all one way. Earlier this month Canada's Northern Telecom Ltd. amounced it had acquired U.S.-hased Bay Networks Inc. for \$9.1 hillion. The severe recession of the early 1990s forced Canadian companies to restructure with the results that many are stronger than ever, according to analysts. In fact, one of the reasons the country's economy is now forecast to outperform those of other industrialized countries is because it flagged so badly early in the decade that the climb back from recession is proving a much steep-

For further information about investing in Canada: ABC FUNDS Irwin Michael Telephone 1 416 365 9500.
 Websie; www.abcfunds.com

 ALBERTA STOCK EXCHANGE. Cricithe Interest Scr-vices, which is not affigured with the exchange, provides quotes and information about companies traded there on a website at ward alberta net. · ANVIL RESOURCES. Website: PWW.anVIIVA.com

BANK CREDIT ANALYST, Talenhour, 1514 499 9705, or, affire in North America, 1800 774 2942, Fex; 1514 499 9709, or, tell-five in North America, 1 800 843 1763. Website: www.bespith.com BURGUNDY ASSET MANAGEMENT. Telephone: 1 416 869 3272. Fez: [416 869 0038. Website: www.burgundy-

o CMT ASSET MANAGEMENT. Tolephone: 352 317 8311. DAVIS-REA LTD., Gerald Vincent, 1416 961 2494. PRINCIPTY CANADA FUND. Telephone 1 5 17 439 1648, or, self-free in the United States, 1 200 544 2888; Fidelity also maintains listings in many local phone directories around the world, internet sites http://personal/12.fidelity.com/gm/milfid/9/315910307.imml . HIGH FREQUENCY ECONOMICS, Carl Weinberg, Emails

e IVY CANADA FUND. Telephone, 1 407 393 8900, or, toli-free in the United States 1 800 656 5111. • WEBS. Website: www.websomboweb.com/co TORONTO STOCK EXCHANGE. Website: www.be.com

1898 catalog at any price. (For the sake of this discussion, set aside their value out a living behind a barn, are now as collectibles.)

Besides, many of the things that make life pleasant, even bearable, simply weren't for sale in 1898. "No amount of income would make my life better if I couldn't buy my arthritis drugs," pointed out Paul Krugman, an economist at the Massachusetts Institute of Technology.

On the other hand, ooted Mr. Krugman, the author of "The Accidental Theorist," the Sears Catalog Paradox misses part of the point because it looks backward rather than forward. While oo amount of money could hay the variety and quality of goods in 1898 that Americans take for granted in 1998, staples food and shelter --- certainly have risen in price since the 19th century.

Brad Delong, an economist at the University of California at Berkeley, puts it another way. As oew, improved ducts come along, he notes, rich substitute out of whatever luxury goods they were consuming like bandits." But a peasant in, say, Haiti, would happily give up access to anti-skid automobile brakes or three-dimensional computer games that he cannot possibly afford in return for rice, cooking oil and

sboes at 1898 prices. Mr. Cox and Mr. Alm do not mess around with such ambiguities. They have a simpler point to make - namely, that "the real cost of living isn't measured in dollars and cents but in hours and

minutes we most work to live." By this yardstick, living has become a lot easier. Consider that staple of modern life, the television set. Back in 1971, the average worker had to toil 174 hours to earn enough money for a 25-inch color receiver. In 1997, a much more reliable TV cost just 23 hours on the job.

Or consider the 3-pound chicken that every American used to put in his pot before Pizza Hnt opeced at the mall. That chicken cost \$3.15 in 1997, almost triple the price in 1919. But it took the average worker just 15 minutes to earn that chicken, compared with 158 minutes in 1919.

What has happened, of course, is that technology, education and machinery have made workers far more productive than their counterparts of 20, 50 or 100 years ago. Mass-produced bits of silicoo have replaced exquisitely formed (yet short-lived) vacuum tubes in televi-



out a living behind a barn, are now scientifically assembled from vegetable protein and antihiotics.

About the only items in the United States that have become more expensive in terms of work time are movie tickets and college degrees. But in both cases, the Dallas Fed economists assure us, the

product has been improved. Who, after all, would rather watch a hunch of actors in shades of gray when they could watch Godzilla take a hite out of the Empire State Building in glorious Surroundsound? And who could reseot the \$150,000 price tag of an Ivy League education that lands them a ticket on the Wall Street gravy train?

If Mr. Cox and Mr. Alm had stopped about here, few would be inclined to quibble. But they did oot resist tossing in a hit of ideology. This life-enhancing bounty of the modern economy, they contended, depends on the wide differences in living standards between rich and poor.

"Without society's wealthy, fewer new goods and services would find their way to the rest of us," they wrote. "Far from being a hlight oo society," they add, "unequal income distributioo is instrumental in driving society forward. It's a natural resource.

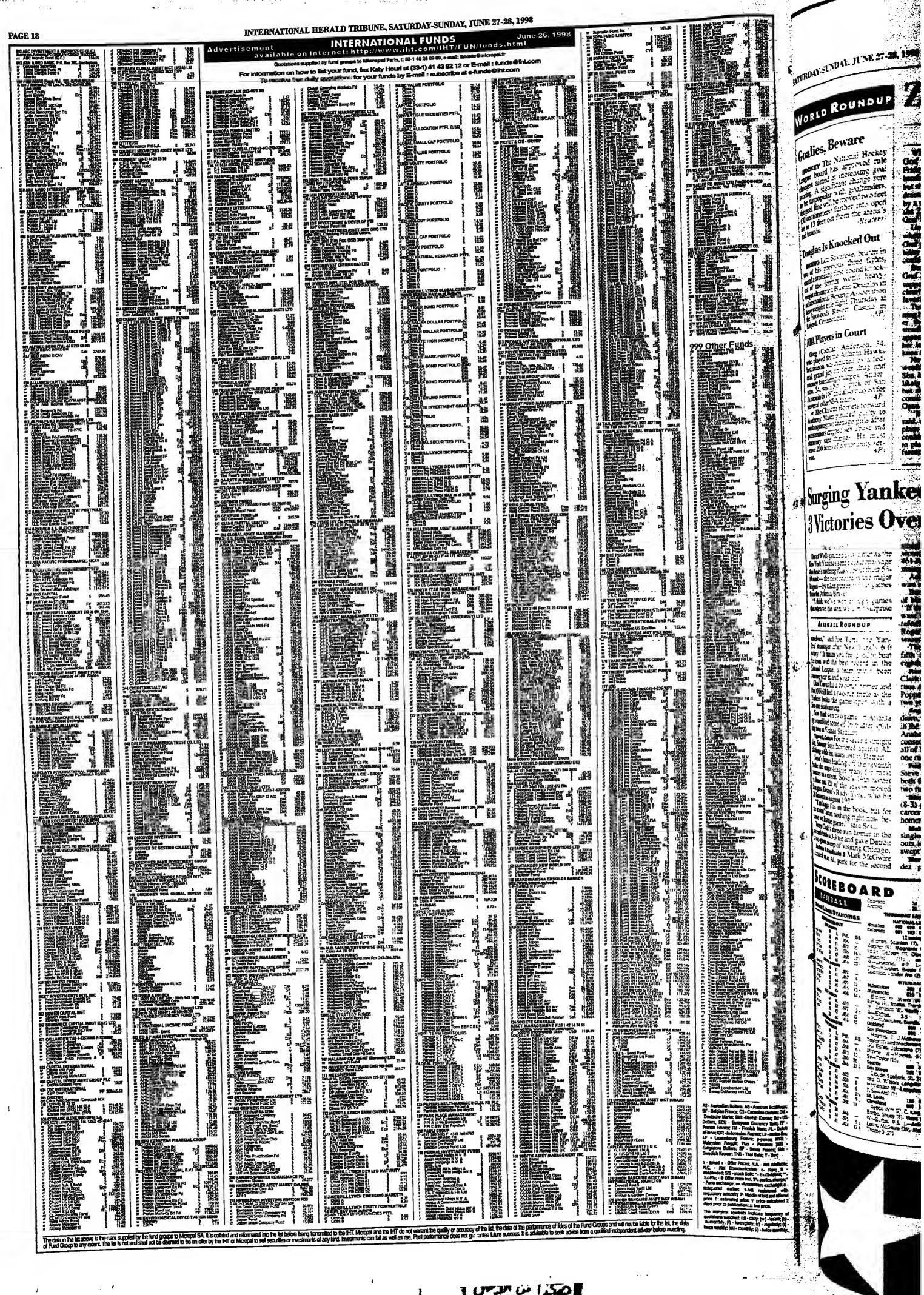
Marie Antoinene could not have said

New York Times Service



International Media Sponsor

Herald Eribune



P.

World Roundup Zvereva Ousts Graf in 3d Round

Goalies, Beware

HOCKEY The National Hockey League board has approved rule changes aimed at increasing goal scoring. A significant change sure to be unpopular with goaltenders, the goal line will be moved two feet (30 centimeters) further into opeo ice to 13 feet out from the arena's end boards.

Douglas Is Knocked Out

bmarine

he nine Non

down five co

isted an order id capture." G

to from a mace

nodies of the in

th builet wounds to five sailors a gale, with since the bodies, were fies as well as to hand approach to the bodies well as to hand approach to the bodies well as to hand approach to the bodies of the bodies well as to hand approach to the bodies well as to hand approach to the bodies well as to the bodies well as to the bodies well as the bodies well a

hand grenade; it propelled grow

of the previous se

onetheless some a

in long-range me.

truct on ther kee arrated. see the

Solden and the

mand Unchange -2 to Margay 71.22 00 DEED Total and the

i indian share the z : erere.se. 2: 22

. The section red :

TO THE REPORT THE and the property

REFLY

Lites U.S.

urity Concen

undi – itaa sudi.

TENN STREET, STEET

ು ಒಳ್ಳಬಹ≎ಕದೆದ

್ಟ್ ಗತ್ಯಾಚಿ ಸ್ವಾಪ್ ಪತ್ರ

The Deliver Leader

nagatyatkość

್ಟ್ರಾಬ್ಯಾಪ್ತ

್ರ - ೬ ರ್ಷ-೧೮೮೦ ವಿಚಿತ

. . . F1. er m1 844

Linean Spread

A Jour Is Slowing

والمتنا والمتناورة

L 02 يتنقشا يهو

200

gen gang gefattet.

Harry Control of the second

1 ambadia Leade

in Fair lot

Taite Ha

The second second

T. Salak

Han Fighter &

The Street

با المستريد الما يواني

್ಷ ಬರುಗಳು

التناصفية تمني

. ... 3234.**S**b

· Case

್. 👊 ಎಲ್ಎಡ

dil tanks marder-sucche e

BOXING Lou Savarese, beaten in two of his previous three fights, scored a stunning first-round knockout of the former world heavyweight champion Buster Douglas in an International Boxing Association heavyweight title fight Thursday at the Foxwoods Resort Casino in Ledyard, Connecticut.

NBA Players in Court

Greg (Cadillac) Anderson, 34, who played for the Atlanta Hawks last season, was indicted by a federal grand jury on four drug and mooey laundering charges. Ander-son, 34, was a No. 1 pick of San Antonio in 1987 and also played for several other NBA teams. (AP)

 The Charlotte Hornets forward Anthony Mason pleaded guilty to endangering two teenage girls after prosecutors dropped sex abuse and statutory rape charges. He must serve 200 hours of community serBy Jennifer Frey Washington Post Service

WIMBLEDON, England - Stefft Graf bade good-hye to Wimhledoo on Friday afternooo with a small lefthanded wave to the Center Court crowd but with little emotion, as any hopes of a dramatic comeback here were dashed by a stunning third-round loss to Natasha Zvereva — who had never beaten Graf in 17 previous meetings.

Uncomfortable and tense on the court where she had won seven singles' titles, Graf played flat tennis, had limited mohility and seemed at a loss as to why she could not beat Zvereva this time.

Broken in the first game of both sets. Graf lost, 6-4, 7-5, despite the fervent support of a Center Court crowd that clearly considered her the sentimental favorite.

Teary-eyed and emotional after win-ning her first match of Wimhledon earli-er this week, Graf was surprisingly steadfast in defeat, and, if anything, she appeared more determined to continue her long, often rocky, comeback from

knee surgery last year.

Now 29, Graf did not promise that she would be back at Wimhledon next year. She has said that another injury very likely would send her into retirement, but she spoke positively about her upcoming commitments, and the U.S.

Open this fall. "It's a long year right now," Graf said, when asked about her Wimbledon plans for cext season. "I definitely couldn't say right now. It would be nice to play again, and hopefully be in differeot shape and enjoy myself.

But I've learned enough to take what's coming up next. So I don't

Zvereva, a 27-year-old from Minsk, Belarus, flipped her racket in joy and bowed deeply to her friends and family in the crowd after Graf hit a final backhand return into the net, and the two met at the oet for a warm handshake.

And when she retreated to the players' locker room, Zvereva had to get

WIMBLEDON

down on her hands and knees - literally - and crawl into her cuhicle to get away from the gentle teasing of the other players on the tour.

"It was really quite embarrassing," Zvereva said. Everybody was in the locker room

laughing at me. They're like 'What happened? What's wrong with you? Are you sick?' and touching my forehead." Zvereva's long history of failure against Graf dated back more than 10

years, to the 1988 French Open finals and quite easily the most humiliating tennis moment of Zvereva's career. At 17 and playing in her first Grand Slam singles' final, Zvereva lost, 6-0, 6-

0, to Graf in the most lopsided final in French Open history.

On Friday, though, Zvereva played what she considered to be the best match of her life as Graf felt unexpectedly nervous and tight on court.

For the first time in as long as she could remember, Graf failed to break her opponent's serve a single time, and, try as she might, she never relaxed throughout the match.

Zvereva broke Graf at 5-5 in the second set, and the crowd hummed with nervous anticipation during the ensuing changeover.

Sensing that Graf's demise was imminent, fans called out "Go Steffi!" and "C'mon Steffi!" as the two took

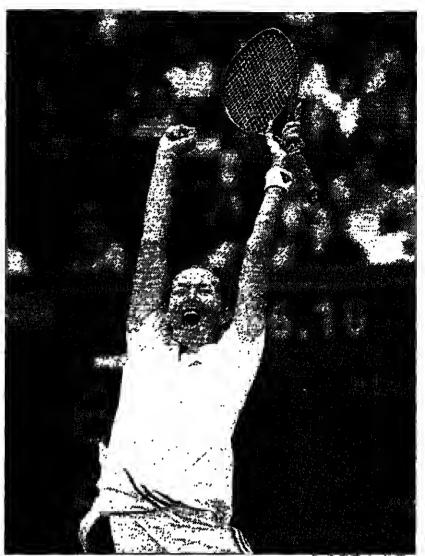
their places for the final game. And though Graf quickly pushed Zvereva to 15-40, she lost two break points, after reaching two difficult shots in the corner, and failed again on Zvereva's second match point oppor-unity. Not certain how Graf would respond to the defeat - Zvereva was well aware of Graf's difficult comeback, and recent her comments about retirement - Zvereva felt honored with Graf looking into her eyes as they stood at the net, and complimented her on the long-

"Coming from her, right away after the match, it was very important," Zvereva said. "Plus she looked into my eyes, which is oever better. That meant a lot to me."

Graf's loss opened up the draw for another fan favorite, Monica Seles, who was scheduled to play on Court 1 in the afternoon but did not take the court until early evening.

Weather problems plagued the tour-nament for the third time in fifth day, with second-seeded Lindsay Davenport, sixth-seeded Pat Rafter and both No. 14 seeds — Sandrine Testud and Goran Ivanisevic — the only seeded singles' players to finish play before the courts were covered for a second time Friday.

All won their third-round matches save for Ivanisevic, who completed his second-round victory.



Natasha Zvereva of Belarus proclaiming her straight-set victory Friday.

Surging Yankees Collect 3 Victories Over Braves

The Associated Press

David Wells pitched a six-hitter as the New York Yankees sent a clear message that there's nothing fluky about their 53-19 mark — the best record in the major leagues — by taking three of four games from the Atlanta Braves.

"I think we've woo enough games that when we do win, we don't surprise

BASERALL POUNDUR

ourselves," said Joe Torre, the Yankees' manager, after New York's 6-0 victory. "It makes you feel good to beat the team with the best record in the National League, a team that's been winning year in and year out."

Chad Curtis hit a two-run homer and Paul O'Neill had a two-run triple as the Yankees broke the game open with a five-run sixth inning.

New York woo two games in Atlanta by a combined score of 16-6 after splitting two at Yankee Stadium.

Tiggers 6, Cubs 4 For the second straight day, Sammy Sosa homered against AL pitching while his team lost in Detroit.

Sosa's homer leading off the seventh broke the major-league mark for most homers in a month. Sosa's 19th homer in June and 32d of the season moved him past Detroit's Rudy York, who hit 18 homers in August 1937.

"I'm happy I'm in the book, but for me it don't mean nothing right now be-cause we lost the game," said Sosa. Tony Clark's three-run homer in the

seventh broke a 3-3 tie and gave Detroit a two-game sweep of visiting Chicago. Indians 6, Cardinals 2 Mark McGwire homered in an AL park for the second

straight game, but his team lost - for the second straight game. McGwire hit a 461-foot blast off Dave Burba in the first inning, his 35th home run this season. Asked to talk about his homer, McGwire said, "No. We lost."

But Cleveland's Jim Thome, a friend of McGwire, was eager to praise him: "If there's one guy in baseball who we want to do it, it's him," Thome said, referring to McGwire's chance to break Roger Maris's record of 61 homers in a

Thome hit a two-run homer in the fifth and a bases-empty shot in the eighth, his 21st of the season.

Clark and Ivan Rodriguez drove in three runs each in Phoenix, and Todd Van Poppel won for the first time in oearly

Angels 3, Dodgers 2 At Dodger Sta-dium, knuckleballer Steve Sparks, 0-8 in the minors before being called up by Anaheim two weeks ago, won his third consecutive start. Sparks, who missed all of 1997 after elbow surgery, allowed one run and four hits in seven innings. Padres 6, Mariners 0 In San Diego, Steve Finley doubled twice and scored

both times, and Tony Gwynn drove in two runs for the Padres for the victory. Blue Jaya 1, Expos 0 Woody Williams (8-3) pitched a five-hitter for his first career shutout, and Mike Stanley

homered as Toronto woo in Montreal. Mets 3, Orioles 2 Carlos Baerga singled home the winning run with two outs in the ninth inning as New York swept the two-game home series.

Martins 5, Devil Rays 1 Livan Hernandez pitched an eight-hitter for his



David Wells winding up in Atlanta.

second consecutive complete game for the host Marlins, who swept the first all-Florida series. Athletics 5, Giants 2 In San Francisco,

Rickey Henderson hit a two-run single in the fourth inning as Oakland won its second straight. Red Sox 7, Phillies 5 Bret Saberhagen

limited bost Philadelphia to five hits and no carned runs in six innings as Bostoo snapped a three-game losing streak. Reds 7, White Sox 5 Pokey Reese hit a

three-run homer as Cincinnati snapped an 11-game skid by winning at Chicago. Brewers 9, Twins 2 Cal Eldred allowed two runs in 71/3 innings and visiting Milwaukee scored three runs, with

the aid of three Minnesota errors, in the

too of the first.

Royals 6, Pirates 1 In Kansas City, Jeff Conine and Larry Sutton each homered against Pittshurgh.

Rockies 6, Astros 5 Kurt Ahbott doubled off the wall in left-center, scoring Vinny Castilla with the winning run as Colorado swept the two-game NL series against Houston in Deover.

Formula One High-Stakes Overtaking

Look for More Exciting Off-Track Tactics at French Grand Prix corner, Schumacher attacked and the

By Brad Spurgeon International Herald Tribune

ARIS - American motor racing fans often complain that Formula One is boring because there is so little overtaking. This year, overtaking has become more difficult than ever and that is what has made this Grand Prix seasoo so exciting.
With drivers searching desperately for

a way to pass, the races have become an exciting, dangerous, comedy of errors.

As the season reaches its halfway point this weekend at the French Grand Prix, it is clear that because overtaking is increasingly risky and, potentially, costly to drivers, the most effective way to do it is off-track — through pit-stop strategy.

Modern Formula One cars are highly dependent oo down-force, the aerodynamic effect that pushes a car to the track and helps in cornering. Other cars can interfere with that down-force, so when cars get close enough to overtake, they often become uncontrollable.

Another difficulty is the sinuous, narrow composition of most Formula One tracks. These problems weigh on drivers' minds. Jacques Villenenve, the world cham-

pion and former IndyCar champion, said before the Canadian Grand Prix three weeks ago that part of the problem was attitude. He said that in 1996 when he arrived

in Formula One from IndyCar, where overtaking is incessant on oval tracks. 'the only thing people could tell me was that overtaking was impossible, and that you shouldn't even bother to try.

"If yoo go into a race in that spirit," he added, "all you think of is when to make the next pit stop, to give yourself a chance of overtaking someone." But, as Villeneuve was to discover three

days later, the narrow tracks do not help.
During the Canadian Grand Prix, Villeneuve tried to pass Giancarlo Fisichella, who was second, on a treacherons corner. He did not have enough room, and was too close to the edge of the track. His brakes locked and he went into the sand trap. When he re-emerged, he was struck from behind by another car and finished the race in last place.

Fisichella also knows well the cost of overtaking. During the Spanish Grand Prix in May, he attempted to overtake Ferrari's Eddie Irvine by braking late at the end of the straightaway. But the Ferrari driver also braked late, their cars collided and both spun out of the race. The stewards fined

Fisichella \$7,500 for dangerous driving. Two races later in Monaco, Irvine attacked Heinz-Harald Frentzeo on a hairpin turn, pushing him off the track and out of the race.

The hapless Frentzen would again be shoved off by a Ferrari in Canada wheo Michael Schumacher, coming out of the pit lane, drove across Frentzen's path. Schumacher, who claimed he did not see him, was penalized 10 seconds but still won the race.

If he had come out of the pits behind Frentzen, who was in third, Schumacher would have lost precious time trying to overtake him.

At the Argentine Grand Prix in April, Schumacher won the race after gaining the lead through a collision with David

Coulthard on lap five. In Monaco, in an exciting but costly sequence, Schumacher overtook Alexander Wurz on a hairpin curve. Wurz

immediately passed again. At the next

two cars banged wheels. Schumacher passed Wurz, hut both cars had damaged suspensions. Schumacher made a long pit stop and finished last. The damage to Wurz's car did oot

become appareor until after his oext pit stop, when gravity intervened. With his tanks oow full of gas, the bottom of the car scraped the ground. Wurz lost cootrol, ran into the wall and ended up in the tire barriers with a destroyed car.

Drivers osed to ride in slipstream of

the car ahead and then slingshot past.

'As long as we remain so dependent on down-force, the more difficult it is going to he to follow people around the cars are now so aerodynamically efficient down the straight that "a following driver cannot get a tow.

VERTAKING is increasingly done when the leader goes into the pits for fuel and a tire change and returns to the track in second or third place. The new leader then tries to make a shorter pit stop, or one fewer than his opponent.

Alain Prost, a quadruple world champion and now a team owner, called for a return to the days when refueling was outlawed. Races then were oot, as they are now, decided by two or three sprints.

"At the moment, the cars are always light with fuel and always on fresh tires," he said. "We need to come back to what we had 10 years ago. Back then, drivers were more important because they had to think about the set-up, not only for practice and qualifying but also in having something different for the race. When you are carrying 200 liters of fuel, you have to think carefully."

TUESDAY, JUNE 30

WEDNESDAY, JULY 1

ATHLETICS, Paris — Grand Prix meet.
CRICKET, Colombo — Sri Lanka vs. India,
dependence Cup
Rovense, Henley on Thomes, England —
Lenley Royal Regatio. to July 5.

THURSDAY, JULY 2

ersecter, Manchester, England — England vs. South Africa. 3rd test, to July 6.

act. F. (Klic-Gunna, Japan — Ines, PGA
Philonthropy, to July 5; Dublin, Instand —
men, Murphy's Iristi Open, to July 5; Cramwell. Connecticut — men. Hartford Open, to
July 5; Kother, Wiscardin — women, U.S.
Women's Open, to July 5.

FRIDAY, JULY 3:

cou.s., Ichiraha, Japan — wamen, Tohala Ladies, to July S; Howard Country, Maryland — seniors, State Form Classic, to July 5.

SATURDAY, JULY 4

HORSE RACING, Sandown, England -

Eclipse Stakes. CRICKET, Colombo — India vs. New Zes

SUNDAY, JULY 5

No mojor entries

SCOREBOARD

BASEBALL MAJOR LEAGUE STANDINGS AMERICAN LEAGUE 32 45 A16 CENTRAL DIVISION 45 31 592 36 41 A67 33 44 A29 32 45 A16 1 30 45 A00 1 WEST DIVISION 47 30 A10 45 33 577 -2 35 42 A54 12 33 46 A18 15 TOURNELL LEAGUE CENTRAL DIVISION 47 31 403 42 36 536 40 36 556 38 30 494 38 41 481 31 49 388 Housion Chicago Miswaukee St. Louis Piltsburgh Cincinna'il Freezes Ple

Colerade 001 102 806 661—6 14 1
12 itealings
Electron, Scortion (7), D. Henry (8), B.
Wagner (9), Magnente IT11 and Evenible
Solipe Delean (7), Dipote (8), Veres (9),
Lestranic (111 and Montworking,
W—Lestranic 4-3. L—Mognente 3-2,
HR3.—Houston, Biggio (11), De,Bell (10),
Colorado, Vander Wal (2).

Torwite 606 196 000—1 3 1

Mentived 606 606 606 5 8

W.Willboms and Dolesandure C.Pesez and Widger. W.—W. Williams, S.S. L.—C. Perez, 6-7, HR.—Torwita, Shanker J. BD.

Tamps Bary 606 600 907—1 8 0

Florida 612 911 00x—5 18 1

Sandana, White (7) ond Flaherty;
L.Hernandez and Zoon, W.—L. Hernandez, 6-4

L.—Sontana, S.-1, HR.—Florida, Zoon CD, Calcaga Cods 018 600 218—4 7 8

Detroit 808 102 38—4 6 0

Wrood, T. Adoms, 70, Methylesad (7), Stevens (3) and Houston, Servais (7); Mochiler, Runyian (7), M. Anderson (7), Bacditier, (8), To.Jones (9) and J. Gêvec. W.—M. Anderson 1-0, L.—T. Adoms, 6-5. Se—16, Jones (12), H.Radriguez (17). Defroit, Easiley (18), To.Lona (17), Tolsbergh 800 601 618—1 4 0

Kunsan City 029 (17), Rh. Can (2) end Kendally Belchez, Service (9) and Fassano.

Tomino, Graves (B), Show (B) and Farelyce Parques Bere (A), Foutive (B) and O'Brien, Kreater (9), Wi-Tomino, 5-6, L.—Parques 2-1, Sv—Show (19), HR—Condmott, Resise (1), Bettienere 969 119 000—2 4 1 M.Y. Mets 968 519 161—3 9 2 Endison, Oracco (7), A Benfez (9) and Webster, Name, Cook (B) and Plazza, Wi-Crok, 3-2, L.—A, Benfez 2-2, HR—Belfiemers R, Alomar (9), Tems 963 629 202—7 13 6 Artzest 92 90 911—4 4 2 2 Van Pappel, X. Hemandez (7) and I. Radriguez, Telemoca, Choeleard (6), Esbarse (B), W. Barks (9) and Miller, Wi-Van Pappel, 1-1, L.—Telemoca, 2-2, HRS—Artzero, T. Lee (15), Miller (1), Anabelta 909 609 603 400—3 3 1 Sparks, Delucio (B), Percival (9) and JAPANESE LEAGUES CONTRAL LIABOR

PRIDAY RESULTS CENTRAL LEAGUE PACIFIC LEAGUE Sesbu 13. Doiel 7 Nippon Ham 6, Ortx 1 Kintelov 3. Lotte 1

CRICKET RECTION CONVERGENCES VI. S. AFRICA THOREY DAY MATCH, FINAL DAY FROMY CAMERIDGE, ENGLAND South Africa: 394-1 dec and 141-0 declared British Universities 199 and 109-3 Motch ended in a draw.

MAJOR LEAGUE SOCCER Coloredo J. Washington D.C. 1
STANDONCES: Edstern Capterence: D.C.
29 points: NY-NJ 25: Colombus 24: Tampa
Sary 12: Milamil 11: New England 10, Western
Conference: Los Angeles 37 points; Chicago
31; Dollacs 18: Coloredo 17; San Jose 15; Kan-\$65 CBy 14.

5 O C C E R

TENNIS WINBLEDON THURSDAY BY LONDON

MEK'S STROLES Nicolas Klefer, Ger., det. Hendrik Dreek www. Ger. 64 6-3 I-6 6-b Wove Ferreiro. S. Al., del. Albert Costo, Sp., 3-6, 7-5, 6-3, 6-3.

Todd Woodbridge, Australia, del. Wayne Black, Zimbabwe, 6-1, 3-6, 6-3, 6-2. Woodblane (7), U.S., del. Barbara Schett Austria, 6-1, 6-2 Cara Black, Zim. del. Patty Schryder (13), Switz, 6-7 (3-7), 7-5, 6-3. Irina Spirica (10), Romania, del. Barbara Bitters (Romania, del. Barbara

FREDER RESULTS
BEEN'S SIMULES
BECOUSE ROUNDS
GORDIN ROUNDS
GORDIN ROUNDS
GORDIN ROUNDS
GORDIN ROUNDS
McCivedev, Ultr., 6-3, 7-6 (7-4), 4-6, 6-0.
Daniel Wrook, Czech R., det. Marc-Kevin
Calling Con., 4-3, 5-4, 5-6.

Deniel Vereit, Czech R., det. Marc-Kevin Goeline: Ger. 6-4. 7-5, 6-3. THREE BOOMB Patrick Raffer (6), Australia. def. Mognus Gustafsson, Sweden, 6-3, 6-7 (7-7), 6-3, 6-1. WCMMBPS SMOLES THUED BOOMB Natasha Zvereva, Bel., def. Steff Graf (4), Ger. 6-4. 7-5 Lindsay Davenport (2), U.S., def. Maria Alajancha Veria, Ven. 6-3, 1-6, 6-2. Miriam Oremens, Neth., def. Mariam de Swedt, S. Al., 6-4. 7-5; Sandrine Testud (14), Fr., def. Lof McNell, U.S., 6-3, 7-6, 6-7).

Fr. del. Lori McNell U.S., 6-3, 7-6 (9-7). Magui Sema, Spain, def. Nacko Savo-matsu, Japan, 6-3, 5-7, 6-0.

TRANSITIONS

BASICETEALL NATIONAL PARKETBALL ASSOCIATION Tokento-Traded F Marcus Camby to New York for F Charles Onkley, rights to Sean Marks eacl cash. HOCKEY

NATIONAL HOCKEY LEAGUE Williams as new owner of Tampa Bay.

THE WEEK AHEAD

SATURDAY, JUNE 27 ATHERTICS, New Deini, India — ITC Identificati Mest, New Deini, CRICKET, Galle, Sri Lanka — Sri Lanka vs.

New Zealand, Independence Cup.

Acaus, Kasaoka. Japan — men. Mizuna
Open; Miki, Japan — women, Japan Women's Open; Paris — men. Peugeof Open de
France; Lemont, Illinois — men. Westen
Open: Clifton. New Jersey — seniors. Cadillac
NFL Classic: Somes Point, New Jersey romen. ShopRite Classic. ICE HOCKEY, Buffalo, New York -- NHL

Entry Ustron, Fig. - Fig vs. France, 2d test Auckland, New Zealand -- New Zealand vs. England, 2d test. Socosta, various sites, France -- World Cup finals, to July 12.

TEMES, Wimbledon, England - men, SUNDAY, JUNE 28

HORRE RACING, Currogic Ireland - Ir-MOTOR RACINIA, Magny Cours, France - French FT Grand Pric Loudon, New

Hompshire — Indy Rocing League eventororcyclis macinia, Asser land — Dutch Grand Prix.

MONDAY, JUNE 29

ATHELETICS, Linz Austria — Zipter Gug rand Prit: Budopest, Hungary — Interno Ronal meet. CRICKET, Colombo — Sri Lanka vs. New CHICAGE, Colombo — Sri Lunka vs. New Zealand, Independence Cup. MOTORCYCLE RACENG. Donington. England — British Grand Prix. CONCICET, Gatle, Sri Lonka -- India vs.

land, Independence Cup.

LIVE - 1st Group A v 2nd Group B 21.00 (CET) Saturday LIVE - 1st Group C v 2nd Group D 16.30 (CET) Sunday

Every minute of all 64 games of the World Cup only on Eurosport

Eurosport, Europe's No.1 Sports TV Channel, available on cable and satellite

World Cup

WORLD CUP BRIEFS

U.S. Women Draw With Germans, 1-1

Cindy Parlow's goal in the 76th minute gave the U.S. women's soccer team a 1-1 draw with Germany in an international match in St. Louis on Thursday night.

Parlow scored on a scramble in front of the German goal, beating the goalkeeper Kersten Stegmann, who had entered the game seven

The tie snapped a nine-game American winning streak. The last U.S. loss was a 4-1 defeat hy Nor-

way on March 19. After a scoreless first half, Germany took a 1-0 lead when Melanie Hoffmann scored the first international goal of her career. She beat the U.S. goalkeeper Briana Scurry from 16 meters out in the 50th minute.

Match-Rigging Alleged

FIFA is investigating allegations of match-rigging in the Nigeria-Paraguay game. Nigerian newspapers reported, but a FIFA spokesman in Paris declined to comment on the reports on Friday.

Nigeria lost, 3-1, on Wednesday to Paraguny, which had not managed to score in its first two group matches. The Nigerians fielded a mostly second-string team.

Nigeria's loss meant that Spain, despite crushing Bolgaria, 6-1, was eliminated from the tournament. Spain needed Nigeria to win to advance to the second round.

The chairman of the Nigeria Football Association, Abdulmumini Aminu, dismissed the alle-

"The players tried their best but the God of soccer did not certainly smile on them," he said.

Nigeria's Milutinovic, justified his decision to make changes to his team for the final group match because he did not want to risk losing players for the second round who had yellow

Sao Paulo Pulls the Plug

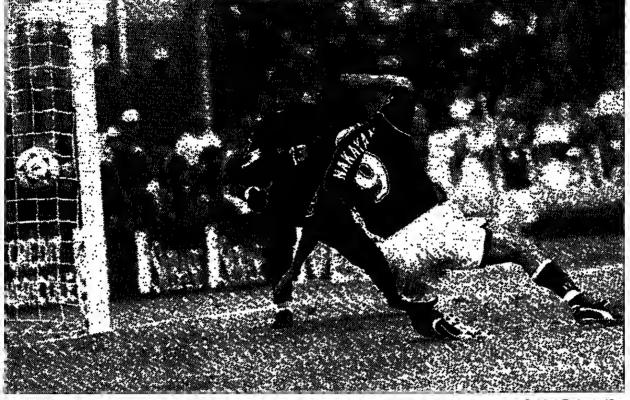
Electricity consumption drops sharply in Sao Paulo when the Brazilian team plays World Cup matches, according to the Brazilian utility Cia Paulista de Forca e Luz.

The utility, known as CPFL, said Thursday that consumption had plummeted from 2,580 megawat hours to 1,929 megawatt hours be-tween 10:45 A.M. and 1 P.M. on June 10, when Brazil was playing Scotland in the World Cup opener in Saint Denis, France.

At halftime, energy consumptioo rose by 40 megawatt hours, but quickly dropped back when the second half started. It rose again after the game ended.

The pattern was repeated on July 16 and 23, when Brazil played Morocco and Norway, the power company said.

Brazil comes to a virtual stand-still during World Cup matches, as offices clear out early, factories stop, shops close and streets are (Reuters)



Masashi Nakayama shooting past Jamaica's Aaron Lawrence for Japan's first-ever World Cup goal on Friday.

First Victory Is Jamaica's Last Word

LYON - Jamaica won its first-ever World Cop match on Friday, with Theodore Whitmore scoring twice to secure a 2-1 victory over Japan.

In a farewell battle of tournament newcomers who were already eliminated from second-round competition, Whitmore scored in the 40th and 54th minutes in the first World Cup victory by a Caribbean oation since Cuba beat Romania, 2-1, in 1938, also in France.

The loss ended a hard-luck tompament for Japan, the 2002 World Cup cohost, which proved in its three games that it can do everything except score. Once again, the Japanese play on de-fense and in midfield was competent and sometimes masterful.

But the team lacked a quality striker to finish off the chances and left France with only one goal in three matches -Masashi Nakayama's strike in the 74th

Coach Takeshi Okada took the blame for Japan's dismal performance and immediately resigned on Friday. "I will quit as professional coach,"

JAMAICA 2, JAPAN ?

he said. "When a coach fails to achieve what he sets out to do, he should quit. It is my responsibility. I was not able to draw the best oot of the players in this

Whitmore opened the scoring by capitalizing when his teammate Stephen Malcolm and the Japanese defender Yn-taka Akita collided while trying to play the ball in the penalty area. Whitmore then drove his 12-meter shot past the defender Naoki Soma and to the right of Japan's goalkeeper, Yoshikatsu Kawaguchi.

kick into the wall and was allowed to

line up the rebound from 12 meters,

In the 71st minute, the defender Roberto

ARGENTINA T. CROATIA O

Ayala sialomed through the Croatian

defense and his curling right-foot shot went just on the wrong side of the post.

in the competition with four goals, had a

mediocre game and he was easily held in check by the Croatian defense.

long-range header, bot little else.

Gabriel Batistuta, the joint top scorer

Croatia's Davor Suker was limited to

Croatia was forced to commit several

fouls to keep the South Americans at

bay. In the 21st minute, the Croatian

forcing a save from Ladic.

Whitmore added his second when the Japanese defense gave him space to take was apparently cited for pushing Fitzroy Simpson's pass down the right Austrian referee, Gunter Benko.

wing. The midfielder spun the defender Noria Omura around and nailed a leftfooted drive,

Japan hit the post and forced Jamaica's goalkeeper, Aaron Lawrence, to make several solid saves in the second half. The Japanese finally broke through when Naoki Soma's long ball was headed by Wagner Lopes to Nakayama, whose shot from 8 meters easily beat Lawrence.

Jamaica was content to play a longball strategy in the early minutes, then stepped up the attack when the Japanese grew frustrated.

Whitmore's second goal came immediately after a missed Japanese scoring opportunity, when its deflated defenders were caught off guard. Jamaica had a goal disallowed in the

15th minute when Ian Goodison, who headed in a corner kick from Simpson, was apparently cited for pushing by the

Argentina and Its Defense Stay Perfect

The Associated Press

perfect World Cup record Friday, beat-Croatia 1-0 to win Group H. and the South Americans' stifling defense remained the only one not to concede a goal in the first round.

And a defender made the difference up front, too. In the 36th minute, a deep pass from Daniel Ortega was deflected into the path of the defender Hector Pineda on the left. With the Croatian defense swarming, Pineda took his time to put the ball past Drazen Ladic.

Both teams were already assured of advancing to the second round, so only first place in the group was at stake.

The best chance in the lackluster

Croatian performance came in the 63d minute when the substitute Goran Vlaovic nuleashed a 27-meter drive that crashed into the post, with the goalkeeper Carlos Roa well beaten.

For most of the match, Argentina defender Slaven Bilic was given a yel-BORDEAUX — Argentina kept a provided the action. On the stroke of low card for pulling down Batistuta erfect World Cup record Friday, beat-halftime, Marcelo Gallardo almost ad-close to the penalty area.

similar foul in the midfield on Dario Simic and was given a yellow card. Argentina's Ayala got a yellow card for a late tackle on Aljosa Asanovic in the 35th minute.

And in the 44th minute, Zvonimir Soldo got one for a body check on Ortega, which means he will be suspended for the second-round game.

At the beginning of the second half, Zvonimir Boban, the captain, got a yellow card for a late tackle on the midfielder Juan Veron. And in the 59th minute, Robert Jami got yet another for protesting a referee's decision.

Croatia was boosted by the return of Boban, who sat out the Japan game with a pulled leg muscle. After routing Jamaica 5-0 and defeating Japan 1-0, Argentina needed only a draw to finish atop the group.

SATURDAY SUNDAY, JUNE 27-28, 1998 30 England Fans Are Held school the World Corp. After Clashes With D. 1. Completely Our Suff From Discourt. TNS, France.

LENS, France - At least 30 English soccer fans were arrested Friday after clashes with riot policemen outside Felix Bollaert stadium here before the World Cup match between England and Colombia, the police said.
In nearby Lille, about 30 people were

detained after fights broke out between English fans and locals when bars closed, officials said. More than 10,000 England fans gathered in Lille before the match. The French television channel LCI

said the majority of those detained were English fans, including some known hooligans. Four people in Lille, including a taxi driver, were slightly injured, the reports said. About 30 English fans were seen

fighting among themselves in a central square in Lille before being dispersed by the police. No arrests or serious injuries were reported.

Riot policemen closed down several bars where English fans were gathering and throwing beer cans and glasses at bystanders of North African origin. Thousands of fans poured into the

small northern town of Lens, and some threw bottles at police in several incidents as tension rose in the build-up to the crucial game for England. Police charged supporters after bottles were thrown in the area around

the central train station. One England

The second secon neck by a bottle, witnesses said. The second second Two young Frenchmen were later

The state of the s

Section 2015

All the same of th

The state of the s

State of the state

The same

The state of the s

20 July 1750

The management of the

The state of the s

FMEVACE

PEANUTE

DOG R0007

TOUGH OF A

GARFTEKI

State of the second sec

pod of a

HENOT POINT

arrested for provocation.
At least 20,000 English fans, more than half without tickets, were expected for the match, which was placed under heavy security after violence involving German and English hooligans earlier in the tournament.

Bars, restaurants and shops in Lens were banned from selling alcohol from Friday morning to Saturday morning. In Lille, alcohol sales were allowed only until 10 P.M.

until 10 P.M.
In other disturbances, 52 soccer fans were taken into custody Thursday night for running amok in the North Sea port of Ostende, Belgium, after arriving by ferry. Fifty were to be deported Friday, while two others were to appear before

an investigating judge.

Lens was the scene of rioting by German fans last Sunday. A French policeman who was hit in the head with an iron bar remains in a coma.

The French newspaper Le Monde on Thursday cited an intelligence memo as saying German extremists planned to travel to Lens "to combat the English enemy and try to gain the title of 'best hooligans of Europe."

Prince Charles and his son Prince Harry were to attend the England-Colombia match on Friday.

(Reuters, AP)

SOCCER: In Round 2, It's All or Nothing

Continued from Page 1

defenses and to strike with deceptive speed on the ground.

So the Italian players who partied into the early morning after qualifying for the second round had better be in a business mood at Stade Velodrome.

It is normal for Italy to start nervously and gather confidence as the tournament advances, but defensively it is vulnerable. Alessandro Nesta, Italy's young cen-

ter back, was the casualty of the first round, having torn ligaments in his right knee. His replacement, the veteran Giuseppe Bergomi, has been to three World Cups, so he knows what to do if he has the swiftness left to do it. But Nesta is the third defender that Italy has lost through injury, after the goalkeeper Angelo Peruzzi and the defensive strong man Ciro Ferrara.

With a midfield that is industrious rather than imaginative, Italy probes and awaits inspiration from Alessandro Del ishing power of Christian Vieri.

Like Italy, which Brazil beat on penalty kicks to win the last World Cup, in 1994. there is always a sense of the Brazilians slowly finding the pace of their game. There has been little samba so far, only a glimpse or two of Ronaldo's majestic might and a suspicion that Brazil without the injured Romario lacks a player of cuming and leaves too much on Ronaldo's willing, but still youthful, shoulders.

Nevertheless, Chile has been made to play aggressively to stay in the contest, and must find replacements in midfield for the suspended Francisco Rojas, Nel-

son Parraguez and Moises Villarroel. On Sunday, the "Marseillaise" will ring out again as France meets, and will surely defeat, Paraguay in Lens. With

three victories in three matches, Les Bleus have aroused feelings for the game that have been latent too long in the host country. Even without Zinedine Zidane, the most gifted Frenchman, who will be serving the second part of a two-match suspension. France ought to pick the tight lock of the Paraguayan defense. Nigerian pace and power, which is why

Spain has retreated painfully home to face its angry supporters, needs to remain concentrated on Sunday and not become arrogantly over-confident against Den-mark. The Landrup brothers and the goalkeener Peter Schmeichel are possibly the only ones close to the status of Great Danes, Nigeria has so much ability and spirit that this should be Africa's route to the quarterfinals in a tournament that otherwise has swept out the rest of the continent and the whole of Asia, too.

On Monday, the Netherlands and Yugoslavia create a test of technique and temperament in Toulouse between two sides that pass the ball as elegantly

Germany, finding form as it always does when the contest is most exacting is back to the future with the veterans Lothar Matthaus and Jurgen Klinsmann, remnants of the 1990 World Cup champion. They had better watch Mexico on Monday, because the spirit has moved this team to come from behind in all three group matches, saving causes that lesser empetitors would have surrendered.

Last, but never least at World Cups, is Argentina. Its victory by the only goal of a game against Croatia on Friday confirmed that it has the solid tonghness of defense, the trustworthiness of Gabriel Batistuta and the combination of youth and experience to ignite another challenge for the ultimate trophy in world

WORLD CUP TICKETS WANTED

ALL MATCHES FRANCE Tel. 33 (0) 1 40 50 35 45

We buy WORLD CUP **TICKETS**

Best prices paid Tel.: +33 (0) 1 43 29 71 28 Second-Round Rivals to Reckon With Some Ghosts of Games Past Soccer history looms over the first two second-round matches Saturday, as old ad-

versaries meet with a place in the quarterfinals at stake and some scores to settle. Italy vs. Norway, Marseille, Saturday, 4:30 P.M. Four years ago in New Jersey, Italy and Norway met in the final match in the group tage. Italy needed to victory to advance. Norway needed only a draw. The Italian goalkeeper, Gianluca Pagliuca, was sent off

after 21 minutes, but Italy, playing with 10 men, won and went on to reach the final. The defender Guiseppe Bergomi, who will replace the injured Alessandro Nesta was sent off in Italy's 2-1 defeat in Oslo in the qualifiers for the 1992 European championship. That loss cost the Italians a

Nesta's absence could cause a problem. He would have been the natural candidate to

place in the tournament.

mark Tore Andre Flo, Norway's towering but nimble striker. Cesare Maldini, the Italian coach, must choose between the less mobile Bergomi or Captain Paolo Maldini,

who normally plays in a wider position.

Maldini has oot said whether he will start Roberto Baggio or Alessandro Del Piero in attack alongside Christian Vieri, joint top scorer in the competition.

Brazil vs. Chile, Paria, Saturday, 9 P.M. The last time these teams met in World Cup competition was in Rio de Janeiro in 1989, when the Chilean team walked off in the second half after a firecracker thrown from the crowd landed near the

Chilean goalkeeper, Roberto Rojas.
FIFA judged that Rojas had feigned injury, banning him for life and Chile from the
1994 World Cup qualifying competition. This game, between two teams known

for their strong attacks and suspect de-

fenses, is potentially one of the most ex-citing of the tournament. Chile has Ivan Zamorano and Marcelo Salas, while Brazil fields Ronaldo, Salas

has three goals so far, but Ronaldo has

WEEKEND MATCHES

only one and Zamorano, his Inter Milan ammate, has yet to score. Brazil's coach, Mario Zagallo, said that

the defensive midfielder Cesar Sampaio, who was suspended for the Norway game, would return. Aldair, who missed the Norway game to avoid the risk of a second yellow card, will also be back to partner Junior Baiano in defense.

Denilson will make way for Cesar Sampaio unless Bebeto, who was hurt in practice on Thorsday, fails to recover in time. The Chileans have to replace three play-

ers who are suspended for picking up two yellow cards: the right-back Moises Villaroel, the left-back Francisco Roias and the defensive midfielder Nelson Parreguez.

Coach Nelson Acosta is expected to re-

place Villaroel with Fernando Cornejo, Roas with Mauricio Arnos and Parraguez with cither Miguel Ramirez or Luis Mustri. France vs. Paraguay, Lens, Sunday, 4:30

P.M. Paraguay and France have met only once before, in the 1958 World Cup in Sweden, when Just Fontaine scored a hattrick in a 7-3 French victory.

France won all of its group matches; Paraguay is unbeaten and conceded only one goal. France meets a side that, apart from Jose Luis Chilavert, has no real star and is greater than the sum of its individual parts, with teamwork its hallmark. It also has no problems with injuries or suspensions. Zinedine Zidane, the French midfield

star, is still suspended and the striker Christophe Dugarry is injured. Aime Jacquet, the French coach, must decide whether to play Bernard Diomede, impressive against Denmark, or Robert Pires in midfield or both.

Migeria vs. Denmark, Saint Denis, Sun day, 9 P.M. The impressive Nigerians have. in patches, played the best soccer of the tournament, while the Danes, in spite of occasional flashes from the Laudrup brothers, have disappointed. But at one crucial position the Danes have an advantage: goalkeeper. Peter Rufai, the Negerian keeper. has looked shaky and has been reluctant to jump to gather crosses and corners, an area in which Peter Schmeichel of Denmark excels.

Nigeria may be without the striker Daniel Amokachi, who started the early matches but is injured. The Danes will be without Miklos Molnar, who is suspended.

Worldwise coverage

via the World's Daily Newspaper



Comprehensive yet concise, informed yet impartial, the affairs of the world unfold on the pages of the World's Daily Newspaper.

Source after he was he source witnesses and source provocation.

The country of the provocation was a source of the country of A countrickets water that it which was plant to after violence may be a countrickets to a countrickets.

Then:

The state and shop at the state of th Ales were allowed the state of the state of the North Control of the North Control of the state wate to state in white the state of the stat were to appear
tion of the
Sunday A fe

A 25 hu to to be To it? 2 control to the control to t The state of the s compared to the Allend to the a Fals

Round 2. It's All or Nothing

1

400

 $e = (0,0) + 2 \log_{10}$ -----

20 70 25

- 20

4.3

. 20127 ¢<u>≤</u>2

- 77

< 3

, in the second

.

- 1 Land

The second

= :6

WORLD CUP

Feuding and Unhappy, The Yanks Go Home Somehow, the World Cup Will Continue By George Vecsey Water Vark Times Service By George Vecsey By George Vecse

NANTES, France - Say good-bye to the American World Cup tearn. It was to soccer what American cheese is to food: bland, formless, ultimately harmless.

They disappeared into history Thursday night with a 1-0 loss to Yugoslavia. which is no shame, because Yngoslavia

VANTAGE POINT

has the firepower of a semifinalist team. However, the Americans had already identified themselves as mashy in previous losses to Germany and Iran.

The team had little in common with the team that qualified from a grueling two-year tournament in the Americas. That team was dismantled by the coach, Steve Sampson, in recent weeks.

Sampson's reward for such lastminute tinkering will surely be his freedom to seek new challenges in the won-derful world of work. The officials of the U.S. Soccer Federation called a press conference in the wee hours Friday to insist that Sampson had not been dismissed, but that a decision would be made within 30 days.

Sampson's departure will come too late for the cadre of veterans who held the team together for much of this decade but were discarded in recent months.

In recent days, Alexi Lalas made grumpy remarks about the demise of the team. To combat the mutterings, Alan Rothenberg, president of the federation, addressed the players Wednesday. He said there was no threat involved: "I just told them to think about what you say. Don't say anything you might re-

gret." But in the land of liberté, fraternité, egalité, a few of the lads felt they had the freedom to say a few words after

the game.
"We'll all get older, and we'll all have scrapbooks," said Lalas. "I'm satisfied with myself, even though I didn't play a minute here. I'll be satisfied with my scrapbook. I'm comfortable that Ibave the respect. Steve has to be satisfied with his scrapbook."

"For one reason or another, this whole thing was a shambles," said veteran Tab Ramos, who noted that 17 players saw action in the first two games, and "everybody felt be should

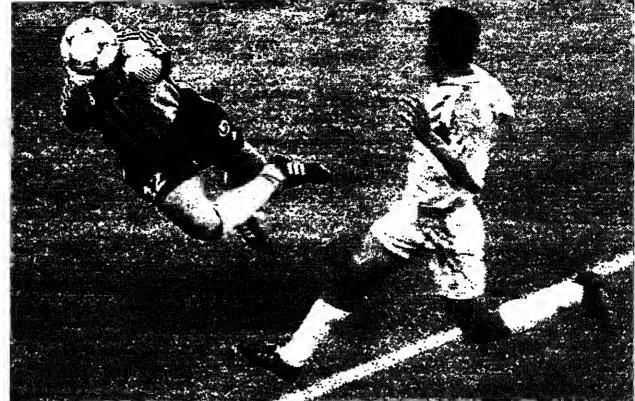
Rothenberg and his associates talked up the future of U.S. soccer. Sunil Gu-lati, vice president of the federation, said the United States used to bave a pool of 20 players but now has 100 good players available.

Rothenberg said that even though the United States had reached the second round in 1994, this year's three-and-out performance was in some ways an improvement. He must have been watching Nigeria or Mexico. The U.S. team basically could not pass or shoot.

But the lads did qualify for France, which allowed bundreds of Americans to wander around this lovely Loire estuary town, eating crustaceans and wearing their Sam's army T-shirts.

Some of the lads take a brief vacation before their European clubs start again. Others will play for their Major League

Soccer teams as soon as Saturday. In the meantime, there are more crustaceans in Nantes, and 16 good soccer teams start the second round Saturday. Oddly enough, without the Yanks, the world keeps spinning.



Romania's goalkeeper, Bogdan Stelea, making a diving save Friday as Zoubele Baya of Tunisia races past.

Romania Takes Top Spot in Group G

PARIS - Romania, already sure of a World Cup second-round place, clinched the top spot in Group G after Viorel Moldovan, a substitute striker, scored a late goal for a 1-1 draw Friday

with Tunisia. Romania now plays Croatia on Tuesday in Bordeaux.

Moldovan hit his goal in the 72d minute, after coming on the field just five minutes earlier.

The Romanians had dyed their hair vellow, one of the colors of the national

flag, to celebrate their success in securing a place in the round of 16 teams. Coach Anghel Iordanescu bad reportedly promised to shave his head if

they won the group.

They made five changes to their starting lineup, missing suspended defender Iulian Filipescu but resting a number of other key players, including strikers Adrian Ilie and Moldovan.

But any hopes of a stroll on a warm evening in Paris were quickly dashed. Tunisia, backed by noisy support in the Stade de France, scored its first goal of the tournament after 10 minutes. The Romanian defender, Christian Dulca, wrestled striker Adel Sellimi to the ground, and Skander Souavah converted the resulting penalty.

The speedy Tunisian attackers constantly threatened the Romanian defense in the first half.

Tunisia had fired its coach, Henryk Casperczak, earlier in the week, placing Ali Selmi in temporary charge, and the team's spirited performance was a great improvement on earlier losses to Eng-

England **Soars Past** Colombia, **Into Round 2**

LENS, France - England, revitalized by the midfielder David Beckham and the striker Michael Owen, swaggered into the second round of the World Cop with an impressive 2-0 victory over Colombia on Friday.

First-half goals by Darren Anderton and Beckham put England firmly in charge and helped ease them through their final Group G match.

Colombia was eliminated from the tournament after its second defeat. England finished in second place in the group, behind Romania, which played

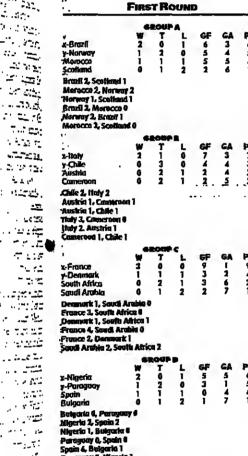
to a 1-1 draw with Tunisia on Friday. The two scorers had started the World Cup competing for the same wide mid-field position, but they worked perfectly in tandem as Anderton his his first England goal since May 1996 and Beckham his first ever.

Anderton struck the first goal after 20 minutes when he collected a poor headed clearance by Jorge Bermudez, from a Gary Neville cross, and hit a rising shot inside the near post from a

narrow angle. This strike was equaled, if not surpassed, by Beckham's goal. Taking a free-kick 25 meters out, after Leider Preciado had fouled Paul Ince, Beckham produced an arcing shot that cleared the wall and dipped inside Farid

Mondragan's right post. The English team put its disappointing 2-1 loss to Romania firmly behind it as the Colombians rarely got close to

WORLD CUP SCOREBOARD



Mexico 2, South Koron 1 Belgioto 6, Notherisado 6 Belgioto 2, Mexico 2 Nothericanto 5, South Kor

JUNE 25, IN LYON Jamaica 2, Japan 1 Jamaica: Theodore Whitmore 39, 54. JUNE 24, DI BORDEAUX ntling — Hector Pinedo 36.

with the introduction of the nuclear-death "golden" goal, When matches are drawn after 90 rehuned, learns start to play two 15-minute periods of entra-sizes, Linder the new mily when one takes accres in extra time — a golden goal for the winner, queden death for the least, if no goal is scored in the 30 minutes, the metch will be decided by a penalty shoot-out as before.

SECOND ROUND

JUNE 29, IN YOULOUSE 5 - Netherland vs. Yugaslavia JUNE 26, IN MONTPELLER 4 - Germany VL. Mexico JUNE 27, IN MARKER LE 7 - Romania vs. Croalis JUNE 30, IN ST. ETERNO 8 - Argentina vs. Englar

JULY S. IN NANTES

JULY 4, IN LYON Winger 4 vs. Wigner 7 JULY 4, IN ST. DERES Number B VS. Witter ()

> JULY 13, IN PARIS Losing semificulist FINAL JALY 12, IN ST. DER

THIRD PLACE

Germans Apologize for a Rowdy Few

ONTPELLIER, France - On a patch of worn grass leading to La Mosson Stadium, between two of the many police checkpoints in Montpellier on Thursday, a group of Germans sat with a handwrit-ten sign in French by their feet. The sign read, "Sorry for Lens."

Postwar Germany has spent many decades showing contrition to its neighbors. It has evolved into a firmly democratic society with a population that is generally well-educated and open to other cultures and, because of the weight of Germany's increasingly distant past, still quicker than most others to engage in self-criticism.

On the day Germany clinched first place in Group F with a 2-0 victory over ran, there were many public gestures of solidarity from its fans and officials for the French policeman Daniel Nivel. Five days after German hooligans attacked Nivel in Lens, leaving him in a coma after Germany's match against Yugoslavia, there were apologetic messages on display in the stands and on the World Cup weh site. Germany's foreign minister, Klaus Kinkel, visited Moutpellier's lively meeting point, la Place de la Comedie, to express his regret over the incident and his support of the French police, who were out in force here on Thursday.

One German tabloid newspaper, the same it should be said that published graphic photos of the beating, has anVantage Point/CHRISTOPHER CLAREY

YOU'RE KIDDING, WELL, WHAT ABOUT LAND MINIES? DO YOU SELL THOSE? ... YOU

nounced it will donate money to Nivel's Bierhoff and Jurgen Klinsmann would family and has opened an account for its readers who wish to make their own donations. A group of former German players, including Franz Beckenbauer, have annouoced that they will play in a charity game on the day of the World Cup final to raise more funds for Nivel's wife and two children.

A poll conducted by German television network RTL found that 62.1 percent of its viewers agreed that the German team should give the Nivel family its bonus from the World Cup.

This is what happens when you find yourself in bann's way in the midst of the planet's most popular sporting event, and that is not to belittle the German response and certainly not to minimize Nivel's life-threatening injuries. But with reporters and cameramen poised to chronicle every substitution and goal, it is inevitable that those on the periphery of the spectacle who suffer or triumph will get pulled into the well-lit arena, as well. Honligans, essentially terrorists with-

out manifestos or missiles, are attracted to that light.

Many of the people of Montpellier had seen the horrifying television footage of Nivel lying in a pool of blood, and several hours before the match between Iran and Germany, there was clearly more interest in whether there would be more violence than whether Oliver

YOU DON'T? HOW ABOUT PLASTIC EXPLOSIVES?

put Germany into the second round. "Everyone I know is very nervous

here," said a hotel proprietor.
This is oot how Montpellier residents expected to feel when they put up their welcome signs and set up a giant-screen television in the Place de la Comedie. It is hard to be festive when you doo't know if your guests are to be trusted, but ultimately, the French and German authorities did a good job of redirecting the focus onto the field.

Border police stopped 14 fans from crossing into France - nine of whom, according to Reuters, were on a police computer list of potentially dangerous supporters. There were checkpoints after toll booths on the highways leading into Montpellier, checkpoints around the stadium and checkpoints at the gates, where national police searched

every fan more carefully than usual. In the end, the Germans would win, defying their average age of 31 by gathering strength as the match wore on and getting two goals in the second half from Bierhoff and Klinsmann.

The fans streamed back into the streets content, and a group gathered at the Place de la Comedie. It was nearly 2 A.M. and they were singing, londly but peacefully, but they were not alone. On the other side of the square, scores of policeman were sitting in their vans and listening.

LOOK, I'M TRYING TO SEND

A GIRL I KNOW INTO DEEP SPACE, PERIMPS YOU COULD

DENNIS THE MENACE





PEANUTS



EVEN THOUGH I'M NOT VERY HUNGRY, I GUESS I OUGHT TO EAT A LITTLE SOMETHING

BEETLE BAILEY

CIGARS ARE "IN"

NOW WITH YOUNG HOTSHOTS!

BLONDIE



YEAH, BUT PIP YOU

KNOW SECONDHAND

SMOKE CAN CAUSE











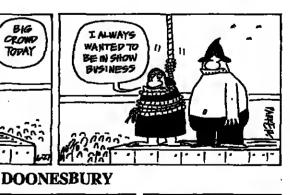


... AND I WOULD APPRECIATE IT IF

CALVIN AND HOBBES

HELLO, I'M WONDERING IF YOU SELL KEES OF DYNAMITE.

WIZARD of ID



BARLI IVE BEEN A BIG FAN OF YOURS EVER SINCE











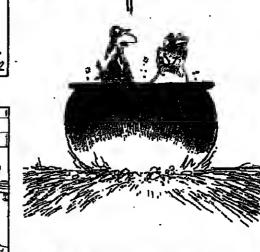
EDUCATION

Appears every Monday in The Intermarket. ivertise contact Sarah Wershof in our London office: Tel.: +44 1 71 420 0326 Fax: +44 1 71 420 0338 or your nearest IHT office or representative.









A No-Scunge Holiday

MIAMI — This year, why not hold an old-fashioned Fourth of July Picnic?

Food poisoning is one good reason. After a few hours in the sun, ordinary potato salad can develop bacteria the size of raccoons. But don't let the threat of agonizingly painful death prevent you from celebrating the birth of our nation, just as Americans have been doing ever since that historic first July Fourth when our Founding Fathers — George Washington, Benjamin Franklin, Thomas Jefferson, Bob Dole and Tony Bennett — landed on Plymouth Rock.

Step one in planning your picnic is to decide on a menu. Martha Stewart has loads of innovative suggestions for unique, imaginative and tasty summer meals. So you can forget about her. You're having a "traditional" Fourth of July picnic, and that means a menu of hot dogs charted into cylinders of industrial-grade carbon, and hamburgers so undercooked that when people try to eat them, they leap off the plate and frolic on the lawn like otters.

Dad should be in charge of the cooking, because only Dad, being a male of the masculine gender, has the mechanical

Don't let the

threat of painful

death prevent you

from celebrating.

"know-how" to operate n piece of technology as complex as a barbecue grill. To be truly traditional, the grill should be constructed of the following materials:

Four percent "rust-resistant" steel, 58 percent rust, 23
percent hardened black grill
scunge from food cooked as far back as 1987 (the scunge
should never be scraped off, because it is what is actually

holding the grill together), 15 percent spiders.

If the grill uses charcoal as a fuel, Dad should remember to

start lighting the fire early (no later than April 10) because charcoal, in accordance with federal safety regulations, is a mineral that does not burn. This is why many dads prefer the modern gas grill, which ignites at the press of a hotton and hurns with a steady, even flame until you put food on it, at

which time it runs out of gas.

While Dad is saying traditional bad words to the barbecue grill, Mom can organize the kids for a fun activity: making oldfashioned ice cream by hand, the way our grandparents' generation did. You'll need a hand-cranked ice-cream maker, which you can pick up at any antique store for \$1,875. All you do is put in the ingredients, and start cranking! It makes no difference what ingredients you put in, because — I speak from hitter experience here — no matter how long you crank them, they will never, ever turn into ice cream. Scientists laugh at the very concept. "Ice cream is not formed by cranking," they point out. "Ice cream is formed by freezers."

When the kids get tired of trying to make ice cream (allow

about 25 seconds), it's time to play some traditional July Fourth games. One of the most popular is the "sack race." All you need is a bunch of old-fashioned burlap sacks, which you can obtain from the J. Peterman catalogue for \$227.50 apiece. Call the kids outside, have them line up on the lawn and give each one a sack to climb into; then shout "GO!" and watch the hilarious antics begin as, one by one, the kids sneak back indoors and resume

trying to locate pornography oo the Internet.

Come nightfall, though, everybody will be drawn hack outside by the sound of loud, traditional Fourth of July explosions coming from all county of the sound of loud, traditional fourth of July explosions coming from all around the neighborhood. These are caused by the fact that various Dads, after consuming a oumber of traditionally fermented beverages, have given up on conventional charcoal-light-

Remember to start lighting the charcoal early (no later than April 10).

Flaming spiders in air,

Key to commemorate the fledgling nation's first barbecue:

"And the grill parts' red glare,

Someone call 911, There's burning scunge in Dad's hair'

After the traditional visit to the hospital emergency room, it's time to gather 'round and watch Uncle Bill set off the the director of the Paris Opera Ballet, died of AIDS in 1993 at fireworks that he purchased from a roadside stand operated by body is on pins and needles until, suddenly and dramatically, the fuse goes out. So Uncle Bill relights the fuse and scurries away again, and the fuse goes out again, and so on, until, finally, the fuse burns all the way down, and the firework makes a noise "phut" like a squirrel passing gas. Wowl What a fitting climax for your traditional old-fashioned July Fourth picnic! Next year you'll go out for Chinese food.

Q 1998, The Miami Herald Distributed by Tribune Media Services Inc. The Beauties of a 'Frivolous' Machine

By Michael Kimmelman New York Times Service

NEW YORK — One good thing about "The Art of the Motorcycle" at the Guggenheim Museum is that by the time it's over everyone should finally be sick and tired of jokes about the museum as a big parking garage ramp.

Now, for the record, as far as motorcycles

go, I drove a scooter in Cozumel, Mexico, once, and as a boy I pedaled around Manhattan on a banana bike, the kind that had the "Easy Rider" handlebars — or in the biker lingo of the Guggenheim's he-man-size exhibition

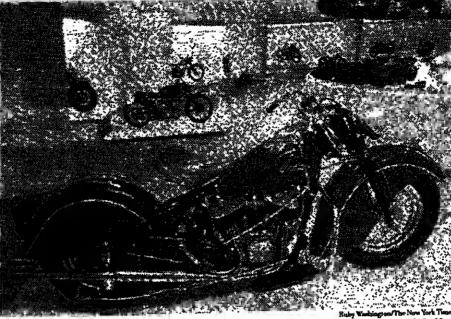
catalogue, "ape hanger" handlebars. Having thus established my bona fides, let me make the following observations:

1. The show, historically speaking, covers the ground between an 1868 French velocipede with a steam engine beneath the seat (ouch!) and a sleek new MV Agusta. With 113 motorcycles, it is much too hig, but many of the bikes in it really are great to look at, and you don't have to have a tattoo or know what a single-overhead-cam valve gear with enclosed rockers is to admire them.

2. Frank Gehry's installation of the exhibition, which includes shiny stainless-steel panels along the rounda side of Wright's ramp, miraculously dematerializes the rotunda and suddenly makes the inside of the museum resemble a machine: an apt metaphor. At the same time, the panels nod to Gebry's Wright-influenced, titunium-clad Guggenheim in Bilbao, so the whole effect is a kind of spiral of allusion.

3. Yes, it is weird to find motorcycles in the Guggenheim, which has never done anything quite like this before, but American art moseums have always shown objects of design.
And anyway, much of the art in the Metropolitan, never mind the Modern or the Cooper-Hewitt, originally had a practical Motorcycles, better than many things, illustrate technology and taste as they have evolved together in the 20th century, which is an issue basic to modern art. Looking at one an issue basic to modern art. Looking at one of the earliest bikes here, an 1893 Millet from France, I thought of "Ballet Mecanique," the machine-age film that Leger, Gerald Murphy, Man Ray and George Antheil made in the 1920s. It made abstractions out of close-ups of churning engines like the Millet's.
4. Besides, the Guggenheim under

Thomas Krens, to the consternation of many



The 1948 Indian Chief "encapsulates America's extravagant postwar spirit."

can now officially be regarded as the hiker outlaw of museum directors.

5. Apropos of BMW, there have been complaints in the press about the company's sponsorship of "The Art of the Motorcycle"

That's just one cultural cliché motorcycles and dressing alike. Every society has its rules, even Hell's Angels. can now officially be regarded as the hiker outlaw of moseum directors.

5. Apropos of BMW, there have been complaints in the press about the company's sponsorship of "The Art of the Motorcycle"—and one can't belp wondering which came first, the idea for the exhibition or the realisation that mosest ground the available for ization that money would be available for such a show. The museum is quick to counter that among the bikes on view, 6 are BMWs. fairs. The huge 1948 Indian Chief, the apex of 10 are Harley-Davidsons, 9 are Hondas. mid-century kitsch (pinstripes, decals, hig red O.K., corporate support doesn't necessarily mean corporate noodling in curatorial depurpose, whether it was a bowl or a chariot cisions. But the true test of any show's It's the motorcycle equivalent of the Foncredibility is what it adds to the sum of taineblean Hotel in Miami. For another rea-human knowledge and happiness. Which son I like British hikes. They tend to be black brings me to:

writer inscribes paper with ink and words, so the motorcyclist cuts a line through sheer space using angles and velocity as letters and

So we take this show seriously at a certain

people, has been stretching in oew directions, which isn't bad. Listed as the main curator for this show, he has lately been tooling around on a BMW motorcycle, so he can now officially be recorded as the hiber

summons to mind tinted postcard images of barber shop quartets, brass bands and summer swooping fenders), in the same way encap-sulates America's extravagant postwar spirit. and practical, with sturdy engines and no 6. The catalogue, a curious document.
Clearly it wants to be scholarly. One essay informs us that "Neither writing oor riding is possible without a certain violence. As the property of the catalogue, a curious document.

They evoke the ethos of inned food and vast unheated manor houses. Take the 1926 is possible without a certain violence. As the property of the catalogue, a curious document.

Brough Superior SS100, massive and not spiritually between the catalogue. ohviously beautiful hnt very elegant on its own terms. (It's T.E. Lawrence's bike.) Likewise, the classic 1939 Triumph seems to

embody pragmatism on two wheels. The exhibition has sales brochures and

magazine ads to illustrate the marketing of bikes in different countries to suit diverse tastes. In the early '60s, for instance, Japanese companies, in the aftermath of similar efforts by British manufacturers like Triumph and American makers like Harley-Davidson, made a mark with bikes geared to a growing affluent populace of anti-outlaws.

Honda's ads showed clean-cut families with efficient little vehicles like the Super Cub. The company's famous slogan was "You meet the nicest people on a Honda."
Then it became "The new American motorcycle gang." The standard view of Japan is that it has always adapted other cultures, then often surpassed them. That's what you see bere in later years, as well, when lapanese manufacturers mimicked stripped-down American muscle bikes of the '70s and '80s. These muscle bikes are ugly, but that's the

point, I suppose. Aesthetically, I prefer a stylish eccentric like the streamlined 1930 French Majestic 350, canary yellow and

French Majestic 350, canary yellow and blue, the engine and wheels wrapped in bullet-shaped fairing with vents on the sides.

Even when the French tried to imitate American swagger they remained French. The 1933 Dollar is a tough, compact bike with an Indian-head gas cap and decal, but the Jaeger clock with its dandyish Roman numerals is a Gallic giveaway.

I must mention the show-stopper, a 1925 Roebmerland, a Czech novelty resembling a

Boehmerland, a Czech novelty resembling a circus prop. Red and yellow, it has a sidecar in the shape of a rocket and is bigger than many automobiles. The museum label says the bike carries six people. That seems like a small exaggeration. Six clowns maybe. In the end the Italians, naturally, make the

really memorable-looking motorcycles. Check out the enveloping shape of the 1958. Aemacchi Chimera; the surreal 1995 Aprilia Moto 6.5, designed by Philippe Starck. which resembles a wasp, and the MV Agusta F4, whose frame and exposed machinery can bring to mind the body of a sleek swimmer.

These are truly beautiful objects.

And then there is the Vespa. Sophia

Loren. The Via Veneto, and that unmistakable drone of the Vespa's engine, like a throaty laugh. I recall the famons 1953 photograph by Mario De Biasi of a woman striding toward a group of goggle-eyed Italian men. The man nearest to her sits on (what else?) a Vespa. To anyone who really knows motorcycles, it's probably one of the least exciting bikes in the show. But I don't care. It's the one I want.

PEOPLE

JUDGE in New York has ruled that Rudolf Nureyev was A funder in New York has ruled that Rudolf Nureyev was ing products and escalated to gasoline. As the spectacular pyrotechnic show lights up the night sky, you begin to truly appreciate the patriotic meaning of the words to "The Star-Spangled Banner," written by Francis Scott ling nation's first barbecue: we.

A funder in New York has ruled that Rudolf Nureyev was a strong-willed person will dance foundation, rejecting efforts by relatives of the dancer to get the money. "Rudolf Nureyev was a strong-willed person who dared to defy a government," U.S. District Judge Denny Chin said. "He was not a person who could be manipulated or unduly influenced and this remained true even near the end." The ruling was a victory for the Rudolf Nureyev Dance Foundation, which brought the dispute to federal court to get a declaration that it controls the \$7 million U.S. portion of the dancer's \$21 million estate. The trial was to determine whether Nurevev was aware of what he was doing when he left whether Nureyev was aware of what he was doing when he left the money to the foundation. His family alleged that a Chicago oersuaded a sick a his U.S. assets to establish the foundation. Nureyev, who was age 54. The judge noted the testimony of close friends, inpeople who spend way more on tattoos than dental hygiene. As Uncle Bill lights the firework fuse and scurries away, everythe Paris Opera Ballet and who said Nureyev thought his name would be immortalized if he gave all his money to dance.

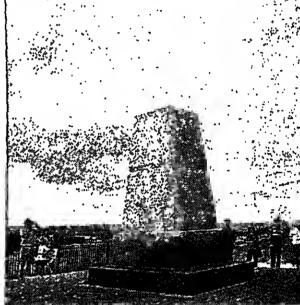
Only four of the 12 living inductees showed up as Canada unveiled its own Hollywood-style Walk of Fame in Toronto's theater district. The oo-shows included the hockey star Bobby Orr, the actor Jim Carrey, the race-car driver Jacques Villeneuve and the singer Anne Murray. The VIPs who did appear were the 1948 Olympic figure-skating champion

Barbara Ann Scott, the film director Norman Jewison, the impressionist Rich Little and the ballerina Karin Kain. In all, 14 plaques were unveiled — two posthumously for the comedian John Candy and the pianist Glenn Gould.

The actor Richard Gere has opened in Lausanne, Switzer-land, an exhibition of photographs he took during a trip to Tibet in 1993. The Elysee Museum said it was the first time the photos had been displayed in Europe. The black-and-white photos are meant to convey the atmosphere of devotion in the lives of Tibetan monks. Gere is a convert to Buddhism.

The British television news reader Jonathan Hill didn't want to make a scene when a fly flew into his mouth during a live broadcast — so he swallowed it, newspapers reported Friday. He said his instinct was to spit out the fly hut he felt that would disgust viewers. Hill said that as a dedicated regetarian it was the first meat he bad eaten in years. "I definitely haven't got the taste for it back now," he said.

"CHiPs" will be back on patrol this fall. Erik Estrada and Larry Wilcox will return as California Highway Parrol officers Frank (Ponch) Poncherello and Jon Baker in the movie set for October on the cable channel TNT. The original NBC series ran from 1977-83 and shows in reruns on TNT.



CUSTER AND CRAZY HORSE - Montana geared up for a weekend of ceremonies at the Little Bighorn Monument for the 122d anniversary of the battle.



(use your head)

and use AT&T Direct Service. With the world's most powerful network you get fast, clear, reliable connections from anywhere. Plus you'll always have the option of an operator who speaks your language. All it takes is your AT&T Calling Card or credit card, and you're well on your way, it's a real no-bramer.

For easy calling worldwide:

I. just dial the AT&T Access Number for the country you are calling from

2. Dial the phone number you're calling 3. Dial your card number.



	ATET
Apstr/s 0	Greece*
Belgium	ireland O
Czech Republic 00-42-509-101	137 Med
Egypt*(Cairo)*	featy =
France	Netherland
Germany	Rangia # 4 (F
For season numbers and littled the	ום עות אפר מער

AT&T Access Numbers			
072-961-91 9	Greece*	Sead Arabia 9	
ess numbers not listed abo	we, ask any operator for AT&T Dire-	ct Service, or visit our Web s	



lt's all within your reach-

try rates correct of the cost of a call to the U.S. plus an country calling outside the U.S. Collect calling is modable to the U.S. only. Cou

World's Daily Newspaper

herful Earthquake Str

Inton and B

Br There is E. ... Sand To Burn Man man and a second Segment of the contract EMPELTON OF ANY PROPERTY. Branch Comment **基于在** 10.75 BELLOW NEW YORK D M 经 Bair an

honce Makes Up History. Judden Death

1.1

policeper was take nomar, position for der of men. But the PE hat the French deand had just differen 113th minuty 12.24 thr even the carriers alla iden-leath goul in - previously the tenna time were 2 ome tearn scored. Ave France a place in competition with

the Stade de France Ain Sauct Dents jus:

dent play Brazel in

m Paris Cesar

first two goals to:

hilaven 270 h.s managed to 177-

asid of soccei Ci-

time and nearly

statled the thed cleverly and

Second TWO

District Con-

123

Migeria +1 in on Sunday Pag. .1-0 in Marsettie Princip advanced Samme VOICE . membe ulition ેલ fact Len

of French (or 90) My was

SEP, MH540 off, the

mangur billion a Only cabin ca